



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Friday, February 20, 2004

World War II merchant mariner benefits bill introduced by California Congressman

On January 27, Congressman Bob Filner (D-CA) introduced "The Belated Thank You to the Merchant Mariners of World War II Act of 2004" (H.R. 3729). On the floor of the House of Representatives, Congressman Filner stated in part:

"Mr. Speaker, I rise today to ask the Congress to correct an injustice that has been inflicted upon a group of World War II veterans, the World War II United States Merchant Mariners.

"World War II Merchant Mariners suffered the highest casualty rate of any of the branches of service while they delivered troops, tanks, food, airplanes, fuel and other needed supplies to every theater of the war. Compared to the large number of men and women serving in World War II, the numbers of Merchant Mariners were small, but their chance of dying during service was extremely high. Enemy forces sank over 800 ships between 1941 and 1944 alone.

"Unfortunately, this group of brave men were denied their rights under the GI Bill of Rights which Congress enacted in 1945. All those who served in the Army, Navy, Marine Corps, Air Force or Coast Guard were recipients of benefits under the GI Bill. The United States Merchant Marine was not included.

"Mr. Speaker, the Merchant Marine became the forgotten service. For four decades, no effort was made to recognize the contribution made by this branch of the Armed Forces. The fact that merchant seamen had borne arms during wartime in the defense of their country did not seem to matter.

"No legislation to benefit merchant seamen was passed by Congress until 1988 when the Seaman Acts of 1988 finally granted them the status of veteran and a "watered down" GI Bill of Rights. Some portions of the GI Bill have never been made available to veterans of the Merchant Marine.

"While it is impossible to make up for over 40 years of unpaid benefits, I propose a bill that will acknowledge the service of the veterans of the Merchant Marine and offer compensation for years and years of lost benefits. My bill, H.R. 3729, the "Belated Thank You to the Merchant Mariners of World War II Act of 2004," would pay each eligible veteran a monthly benefit of \$1,000. That payment would also go to their surviving spouse.

"The average age of Merchant Marine veterans is now 81. Many have outlived their savings. A monthly benefit to compensate for the loss of nearly a lifetime of ineligibility for the GI Bill would be of comfort and would provide some measure of security for veterans of the Merchant Marine. I urge my colleagues to join me in cosponsoring this legislation. We can never make up for the years lost, but we can fix the injustice by passing H.R. 3729 as quickly as possible."

Congressman Filner's bill was referred to the Committee on Veteran's Affairs and the Committee on Ways and Means.

SUP members and other supporters of the U.S. merchant marine should write or call (1-877-762-8762) their members of Congress and urge them to support H.R. 3729.



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AFL-CIO endorses John Kerry for President of the United States

The American Union movement endorsed Senator John Kerry (D-MA) for president on February 19, at a meeting of the AFL-CIO General Board. After the endorsement vote, Kerry joined workers and several hundred Union members and federation and affiliated Union staff and leaders at a rally at the AFL-CIO in Washington, D.C.

"Every place I have been in this campaign, I have seen the wreckage of the Bush economy. Jobs on the run. Every single year George Bush has promised

to create jobs and every year he's ending up losing them," said Kerry, as Union members waved colorful placards and signs in support of Kerry for president.

Four workers who have lost or risk losing jobs and health care also spoke at the rally, and Kerry vowed to take back the nation for them and all working families.

"Just last week, the White House promised to create 2.6 million jobs. But on February 18, George Bush said he

couldn't be held responsible for knowing the numbers of new jobs because he's not in charge of numbers. Well it doesn't take a lot of fuzzy math to count to zero. We're going to put America back on track, back on the road to prosperity, the road of fairness, the road of jobs," Kerry said.

Kerry's endorsement by the AFL-CIO General Board shows "the Union movement is united

AFL-CIO backs Kerry

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American maritime cabotage upheld in Coast Guard rule on lease financing

U.S. ownership, construction and crews for vessels engaged in domestic waterborne commerce will remain the unquestioned foundation of U.S. maritime policy under a Final Rule issued by the U.S. Coast Guard on February 4, 2004. The agency's Final Rule concerning Lease Financing for Vessels Engaged in the Coastwise Trade clearly states it is the intention of Congress that a 1996 amendment to the U.S. vessel documentation laws is meant to expand Jones Act operators' financing options, not undermine the basic principle that vessels operated in the domestic trades must be built in U.S. shipyards and be operated and controlled by U.S. citizens.

"The Coast Guard's strong support for the Jones Act expressed in this rulemaking reaffirms the commitment to the law that has been the policy of the Bush Administration and its predecessors," said Philip M. Grill, Chairman of the Maritime Cabotage Task Force. "This rule-making amplifies the vital role our cabotage laws play in protecting our national and economic security and in ensuring uniform application of American law to companies operating in domestic waterborne commerce."

Enacted in 1920, the Jones

Act requires that cargo moving between U.S. ports be carried in vessels that are U.S.-owned, -built and -crewed. Similar laws and statutes apply the same requirements to the movement of passengers and marine services such as towing, dredging and salvage.

While the vast majority of transactions under the Lease Financing provision have been legitimate uses of the 1996 amendment, some foreign entities have employed complex corporate transactions to thwart Congressional intent. MCTF filed extensive comments with the Coast Guard during the rulemaking process urging an end to the abuse of this provision.

"This rulemaking represents a substantial step forward in restoring the certainty necessary to ensure continued investment in vessels and companies engaged in domestic waterborne commerce," said Grill. "America's Jones Act fleet is growing to meet the needs of commerce, but must be assured that the playing field will remain level so that true competition, not unfair advantages, determine which companies thrive in the future."

The U.S. Coast Guard and U.S. Maritime Administration

also published a joint notice of proposed rulemaking on Leasing Financing, on February 4, dealing with administrative questions and other issues such as the chartering of lease-financed vessels to persons not otherwise eligible to engage in domestic marine services. Grill cautioned that this rulemaking must be addressed in the same spirit as the Final Rule. "MCTF and its members will continue to advocate that these issues are resolved in a manner consistent with the strong support for the Jones Act expressed in the Final Rule."

The Maritime Cabotage Task Force was founded in 1995 to promote the U.S.-flag fleet engaged in domestic waterborne commerce. With more than 400 members, including the Sailors' Union, MCTF is the largest coalition ever assembled to represent the domestic segment of the U.S. merchant marine. Nationwide, there are more than 39,000 vessels engaged in Jones Act commerce and they annually move more than one billion tons of cargo and 100 million passengers. The Jones Act fleet generates nearly 125,000 jobs, 80,000 of which are aboard vessels and represents a \$26 billion private sector investment in vessels and infrastructure.

SUP Quarterly Finance Committee Report

SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED DECEMBER 31, 2003

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on January 12, 2004, hereby submits the following report:

SUMMARY OF CASH AND INVESTMENTS

General Fund	\$907,250.65
Political Fund	\$958.48
Strike Fund	\$1,293,730.99
Total Cash and Investments 4th Qtr. 2004	\$2,201,940.12

GENERAL FUND

Income:	
Dues, Initiation, Assessments	\$114,792.00
Interest	27,051.91
Donations - <i>West Coast Sailors</i>	2,560.00
Tanker & Joint Committee, Hiring Hall	97,930.94
Advertising & Promotion	135.00
Reimbursed Administrative Expenses	22,395.08
Reimbursed Field Expenses	1,100.26
Miscellaneous	10.00
Contributions - General Fund	1,490.00
Total Income:	\$267,465.19

Expenses:	
Auto & Travel	\$2,921.97
Rent	15,768.85
Postage, Printing & Office	12,826.74
Telephone & Telegraph	7,557.32
<i>West Coast Sailors</i> Publishing Expense	3,089.17
Per Capita	11,637.25
Salaries & Payroll Taxes	177,598.84
Office Workers Pension	5,529.00
Insurance	25,000.42
Field Expense	3,186.77
Committee & Neg., Conference & Conv.	31,145.40
Investment Expense	1,452.12
Advertising & Promotion	5,643.45
Legal & Accounting	13,845.95
Contributions	681.00
Flowers	48.06
Officials Pension	14.49
Election Expense	7,950.00
Subscription	6,824.54
Total Expense:	\$332,721.34

BUILDING CORPORATION

Income:	
Assessments	\$2,968.00
Interest & Principle on Mortgage Notes	6,235.62
Rents	57,063.54
Miscellaneous	88.23
Total Income:	\$66,355.39

Expense:	
Building Services & Utilities	\$21,981.74
Repairs & Maintenance	28,894.26
Salaries & Payroll Taxes	13,329.20
Legal Expense	12,162.40
Conference & Negotiations	173.51
Environmental Impact Study	2,000.00
Filing Fee	20.00
General Tax	10,998.22
Insurance	33,065.96
Total Expense:	\$122,625.29

POLITICAL FUND

Income:	
Contributions	\$4,170.00
Interest72
Total Income	\$4,170.72

Expense:	
Contributions	\$5,880.00
Office Expense	24.00
Total Expense:	\$5,904.00

Net Income 4th Qtr.	\$(123,259.33)
Net Income 1st Qtr.	\$157,207.84
Net Income 2nd Qtr.	(64,634.55)
Net Income 3rd Qtr.	\$(89,380.25)
Year To Date	\$(120,066.29)

/s/ Louis Frazier
/s/ Arthur Thanash
/s/ Dennis Howard
Ernest Stimach
Randy Runyan
Anthony Huertas

ACTION BY THE MEMBERSHIP February 9, 2004. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the West Coast Sailors. Carried unanimously.

Final Departures

Eugene H. Wasch, Book No. 3258. Born in California in 1927. Joined SUP in 1946. Died in California, January 1, 2004. (Pensioner)

Peter Pokrajac, Book No. 3410. Born in Pennsylvania in 1925. Joined SUP in 1945. Died in Ferrell, Pennsylvania, January 3, 2004. (Pensioner)

Harry Tanemura, Book No. 3220. Born in Washington in 1918. Joined SUP in 1950. Died in Oakland, California, January 10, 2004. (Pensioner)

Andrew G. Arnold, Book No. 3519. Born in Missouri in 1915. Joined SUP in 1946. Died in San Jacinto, California, December 27, 2003. (Pensioner)

Francis Craig, Book No. 17832. Born in California in 1926. Joined SUP in 1984. Died in Daly City, California, December 17, 2003.

John Abraham Reid, Book No. 2565. Born in American Samoa in 1918. Joined SUP in 1944. Died in Seattle, Washington, January 19, 2004. (Pensioner)

Peter Lucas, Book No. 4013. Born in Canada in 1915. Joined SUP in 1946. Died in Greenville, Pennsylvania, January 29, 2004. (Pensioner)

Christian Scheel, Book No. 6914. Born in Denmark in 1919. Joined SUP in 1946. Died in Washington, December 5, 2003. (Pensioner)

Guilio Segreti, Book No. 7369. Born in Pennsylvania in 1927. Joined SUP in 1952. Died in Palm Springs, California, January 4, 2004. (Pensioner)

Donald Fuller Watson, Book No. 2881. Born in Nebraska in 1920. Joined SUP in 1943. Died in Lake Forest, California, January 25, 2004. (Pensioner)

Stanley Whitlock, Book No. 3542. Born in California in 1923. Joined SUP in 1953. Died in Long Beach, California, January 24, 2004. (Pensioner)

Raymond D. Carpenter, Book No. 4480. Born in Arkansas in 1921. Joined SUP in 1948. Died in Oakdale, California, January 29, 2004. (Pensioner)

Carl C.A. Jurgensen, Book No. 3886. Born in Denmark in 1922. Joined SUP in 1943. Died in New Jersey, January 23, 2004.

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2004:

	Hdq.	Branch
March	8	15
April	12	19
May	10	17
June	14	21
July	12	19
August	9	16
September	13	20
October	12*	18
November	8	15
December	13	20

*Tuesday



Support the SUP Political Fund



Caught off Waikiki on January 2, by Chuck Maringer on homemade rig. Aboard *s/s Maui*, hove-to 10 miles offshore for 24 hours awaiting berth.

West Coast Sailors

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Matson profits soar in fourth quarter of 2003

Operating profit for Matson Navigation Company more than tripled in the fourth quarter of 2003, on the way to record full-year revenue on improved volumes in general cargo and automobiles.

Revenue totaled \$199.3 million for the three months ending Dec. 31, up 14 percent from \$174.7 million in the year-ago quarter. Operating profit climbed to \$32.4 from \$9.2 million.

Matson, an SUP-contracted company, carried 42,200 containers in the quarter, up 15 percent from 36,800 a year ago. Automobile shipments grew 29 percent to 36,200 from 28,000.

The fourth-quarter included a one-time gain of \$16.7 million from a change in pension plans. The company said that even without the gain, the quarter was marked by a return to a more normal level of profitability following the West Coast port shutdown that depressed results in the fourth quarter of 2002. Also contributing to the improvement were higher freight and automobile volumes in the Hawaii service and rate actions taken during 2003.

Matson in the fourth quarter initiated a significant change in its carriage of automobiles, adding considerable roll-on/roll-off capacity to its fleet through the operation of a chartered vessel and modifications to another vessel. Also, marine terminals dedicated to vehicles were established in Oakland and Honolulu. This change addresses customers' preference for roll-on/roll-off stowage of autos. The new service improves delivery times and includes direct calls to the island of Maui, as well as to Oahu.

For the year, Matson's ocean transportation revenue was \$776.3 million, a gain of 13.6 percent from \$686.9 million in 2002. Operating profit totaled \$92.8 million, from \$42.4 million. Hawai'i container traffic totaled 162,400 containers, an increase of 6 percent from 152,500 the previous year. Matson hauled 145,200 automobiles, up 20 percent from 120,500.

Matson said financing for its new container vessel, *m/v Manukai*, delivered in the third quarter of 2003, added \$55 million to long-term debt.

Matson Integrated Logistics (MIL) saw record revenue of \$68.5 million in the fourth quarter, up 31 percent from \$52.4 million the previous year. Operating profit doubled to \$1.4 million from \$700,000. The company credited increased volume in domestic, international and highway activity.

In December, MIL acquired TransAmerica Transportation Services, Inc., a third-party logistics company. TTS offers various intermodal brokerage services and presently handles about 50,000 shipments annually, Matson said.

For the year, logistics revenue was \$237.7 million, up 22 percent from \$195.1 million in 2002. Operating profit was \$4.7 million, a gain of 52 percent from \$3.1 million.

In other Matson news, Charles Stockholm, chairman of Matson's parent company Alexander & Baldwin, takes on additional responsibilities as chairman of Matson. In addition A&B CEO Allen Doan has been named vice chairman of Matson and James Andrasick has been named president and CEO of Matson.

Mokihana skipper and crew receive seamanship trophy for rescue at sea

The master and crew of Matson's *m/v Mokihana*, are the recipients of the American Merchant Marine Seamanship Trophy for a rescue on July 20, 2002.

Captain Katharine Sweeney and the crew of the American-flag cargo vessel displayed superior seamanship when they saved the lives of six seafarers from a sinking Japanese fishing boat under difficult weather conditions.

The Seamanship Trophy, which recognizes extraordinary seafaring skills by American mariners, was presented during a luncheon ceremony at the U.S. Merchant Marine Academy on January 24.

The *m/v Mokihana* is operated by Matson Navigation Company and crewed on deck by the SUP. Captain Sweeney is a member of the International Organization of Masters, Mates & Pilots.

On July 19, 2002, the *Mokihana*, underway in the Pacific en route to Guam from Oakland, received a call from U.S. Coast Guard Station Honolulu to divert course and come to the aid of a vessel in distress.

The *Mokihana* was already due south of its normal course to avoid Super Typhoon Feng Shen. The vessel's master, Captain Sweeney, determined that it would take about 10 hours steaming time to reach the vessel in distress, the Japanese fishing boat *Katsuura Maru #28*.

The vessel had scraped a submerged atoll, pushed by the typhoon's strong winds. Its bottom was severely damaged and its pumps could not handle the flooding water. An order was given to abandon ship after a U.S. Coast Guard air-

craft dropped a life raft and emergency supplies to the fishermen.

The *Mokihana* arrived on scene on the morning of July 20, and quickly spotted the life raft with six fishermen aboard. After several attempts at rescue in 25-knot winds and 12-foot seas, the crew of the *Mokihana*, exhibiting skillful seamanship and great determination, pulled the six stranded seafarers aboard.

"Getting the ship in the correct position to drift down towards the life raft was a little tricky," said Captain Sweeney, "and the sea anchor on the life raft made it very difficult to heave the raft alongside our vessel.

"Unfortunately, the fishing boat crew spoke no English, and did not know to cut loose the sea anchor once we had a line to the raft, which hampered rescue efforts," she said.

The survivors of the fishing boat were discharged by the *Mokihana* in Guam. The efforts of the American ship's captain and crew undoubtedly prevented the loss of human life.

The Seamanship Trophy ceremony at the U.S. Merchant Marine Academy on January 24 marked the 32nd presentation of the award since it was established in 1962.

The U.S. Merchant Marine Academy administers the selection process for awarding the Seamanship Trophy.

The trophy, an ornate sterling silver cup, is on permanent display at the American Merchant Marine Museum on the Academy's Kings Point, Long Island, New York campus.



AB Morris Thibideaux on the boat deck of the APL China with the City of Oakland in the background in January 2004. Photo by Dave Connolly.

Cabotage repeal bills introduced in Hawai'i legislature by GOP

Republican members of Hawai'i's legislature have introduced five bills to repeal American cabotage.

In Hawai'i's House of Representatives the House Concurrent Resolution (HCR) 19 requests Congress to repeal maritime cabotage laws; House Resolution 7 requests the same; HCR 18 requests Congress to exempt Hawai'i and Alaska, Guam and Puerto Rico from the Jones Act.

A Senate bill (Senate Concurrent Resolution 11) requests Congress to repeal the Passenger Services Act of 1886.

As the *West Coast Sailors* went to press none of the bills had been referred to Committee.

The state bills mirror those introduced last year by Congressman Ed Case (D-HI) which were covered in the August, September and October 2003 issues of the *West Coast Sailors*.

AFL-CIO backs Kerry

cont'd. from page 1

in making sure that the next president of the United States is one who puts working families' priorities first—issues like health care, good jobs and a strong economy," said AFL-CIO President John Sweeney.

The General Board represents the democratically elected leadership of the Union movement, including the leaders of all 64 member Unions, the AFL-CIO Executive Council, representatives of AFL-CIO state federations and trade departments.

Since his election to the U.S. Senate in 1984, Kerry has compiled a 91 percent lifetime AFL-CIO voting record in favor of important working family issues. In 2003, Kerry voted to protect workers' overtime rights from the on the Fair Labor Standards Act that could cost eight million workers their overtime pay protection. He backed the extension and expansion of federal unemployment insurance benefits for long-term jobless workers and voted to protect millions of retirees from the as part of the recently passed and seriously flawed Medicare prescription drug program.

Other highlights of Kerry's legislative tenure include addressing the nursing shortage, increasing the minimum wage, expanding early childhood development and children's health insurance coverage, increasing law enforcement funding and providing assistance to families of Vietnam veterans who were victims of Agent Orange.

As president, Kerry said one of his first priorities will be to restore the nearly three million private-sector jobs—including 2.8 million manufacturing jobs—that have disappeared under the Bush administration.

Kerry will fight to roll back President George W. Bush's tax cut for the wealthy while expanding tax breaks for the middle class. Kerry told the February 19 crowd he supports repeal of tax breaks and loopholes that reward "any Benedict Arnold CEO or corporation for exploiting the tax code to export American jobs overseas."

Kerry has a long record of support of workers' freedom to form Unions and supports card-check and employer neutrality in which employers recognize workers' choice if a majority of workers sign authorization cards asking for Union representation. He also is co-sponsor of the Employee Free Choice Act (S.1925) and supports measures to restore the bargaining rights of hundreds of thousands of workers in the Defense and Homeland Security departments that are under attack by the Bush administration.

For more information on how Senator Kerry stands on the issues log in to the AFL-CIO website: www.aflcio.org.

**The California Primary is March 2
Vote John Kerry for President**

Hundreds of foreign mariners abandoned

Whose responsibility?

There can't be many workers more at risk from financial insecurity than seafarers, hundreds of whom are literally left stranded without money, food or water each year.

Thousands of poor workers from Asian, African and Eastern European countries are attracted to sea by the promise of a regular salary to send home to dependent families. Many will be hired by cowboy operators, who register their ships with flags-of-convenience or less rigorous national flags and soon create trouble.

An alarm bell may ring when a month's salary is delayed or an employer fails to provide proper funds for the running of the ship. Perhaps a second or third month will pass with empty promises of pay at the next port.

Then the nightmare begins. Thousands of miles from home, your ship runs into difficulties or is detained by port authorities on safety grounds. The company owning the ship falls out of contact and perhaps into bankruptcy. You may be owed thousands of dollars in wages, and you have no money for a ticket home. The supplies of food, water and fuel on board run out and it becomes clear that the shipowner will not provide even your basic means of survival. You have been abandoned.

Perhaps with no contract, your gut feeling is that if you leave the ship you will have no way to prove you ever worked on it—you will have to stay and wait for the money you are owed. But this could mean waiting forever. If you are a Union member, your national Union should advise you to come home. It may begin lobbying on your behalf, perhaps approaching the nearest embassy to request assistance with your welfare needs and repatriation. In some cases the Union will begin raising funds to repatriate the crew itself.

According to international conventions, in cases of abandonment, it is actually the responsibility of a ship's flag state to arrange and pay for a crew's passage home.

The reality in many such cases, however, is that ships' crews, and the Unions and other bodies who advocate for them, are cut off by every formal source of authority or assistance. Hundreds of abandoned seafarers spend months living on handouts of food and fuel, in even more wretched conditions, wondering how they will survive, and when they will ever see, let alone provide for, their families again.

In most of the dozens of abandonment cases dealt with by the International Transport Workers' Federation (ITF) each year, neither the ship owner nor the flag state (nor even in some cases the embassy) has any intention of fulfilling its basic obligations.

Funding backwages from scrap

The ITF, the seafarers' own Union if they have one, a sympathetic local port workers' Union, or Mission to Seafarers, will do what they can to help with essential provisions, fight the case for back wages and arrange repatriation.

But if an abandoned vessel proves, as so often, to be virtually worthless even as scrap, who is going to fund a whole crew's back wages of many thousands of dollars? It can take years to recover even a small percentage of a crew's

claim, and millions of dollars owed to seafarers will never be paid.

The International Maritime Organization (IMO)—the United Nations body charged with regulating shipping—has made some efforts to address the problem of abandonment. One major recent initiative was a scheme to generate financial security for vulnerable workers in an industry where the least seaworthy vessels are refused insurance, yet may still be allowed to sail. Without the commitment of key stakeholders in the industry however, no such scheme has much chance of success.

Responsible Unions continue to lobby their governments into ratifying and implementing ILO conventions and recommendations on seafarers' welfare. Meantime they will warn members to steer clear of a company known to be in difficulty, or to be creating difficulties for its employees. Often they succeed in alerting the media to a government's apparent disinterest in the fate of its nationals stranded in some distant port. They may also succeed in influencing government policy. In Romania, for example, Unions have helped to bring about some regulation of the manning agents who send seafarers into employment.

Concern over the issue of abandonment of seafarers has led to the establishment of a joint working group of the IMO and the International Labor Organization. In November 2001, both organizations adopted Guidelines on provision of financial security in case of abandonment of seafarers. This was with a view to eliminating the operation of substandard ships and enhancing the social protection of seafarers. The joint working group also established a mechanism for the reporting of abandonment cases, by member governments and non-government organizations with consultative or observer status in the IMO or ILO, such as the ITF. The ITF submitted its latest cases in September 2003. These cases show shipowners and flag states flouting their responsibilities under the adopted guidelines.

The reporting process not only raises the profile of the issue, but also allows the ITF and others to apply pressure on flag states at the IMO to assist individual seafarers who have been abandoned.

Case 1

Vessel: *Tara* (cargo ship)

Flag: Tonga (FOC)

Age: 10 years

Owners: unconfirmed, informal sources believe the owners are Dimitrios Kokkos and Mahmood Rifat

Crew: 18: 6 Indian, 8 Pakistani, 4 Romanian

Abandoned: November 2002, Algiers, Algeria

Means of survival: Begging/handouts from local transport workers' Union Federation Nationale des Travailleurs du Transport (FNTT)

Requests for assistance made to: Pakistani and Indian embassies in Algeria, Tongan government

Responses: All requests declined or ignored Repatriated: May 2003, by ITF/FNTT

Salaries: None ever paid

Case history: The *Tara* set sail from

Tunis for Oran, Algeria, in October 2002, but soon developed engine problems. In November the ship was towed into the port of Algiers, where it remains rusting to this day. The vessel's owners, believed to be Dimitrios Kokkos and Mahmood Rifat, initially sent some money to the crew stranded on board. In January they repatriated four Romanian crew and promised to make arrangements for the remaining men to get home.

This did not happen and no further money was received by the crew. The men survived by begging in the port and receiving handouts from local dockers' Unions. Both the local Indian and Pakistani embassies refused to offer assistance, pointing to the foreign flag of the vessel. The Tongan government failed even to acknowledge many repeated fax appeals from the ITF.

Tonga has been repeatedly attacked by the ITF and others for failing to act after announcing the closure of its registry. The Tongan flag has attracted the most unscrupulous possible shipping companies including allegedly some with terrorist links. In the case of the *Tara* even a cursory look at the ship's history (previous crews say with the same owners, but flying different FOCs), reveals a record of poor maintenance, arrests, and backwage claims from crew hired without contracts or Union representation. The national Union in Romania has made efforts to warn its members away from any vessel linked to Kokkos and Rifat.

Repatriation of the crew of the *Tiara* was finally arranged jointly by the ITF and local transport workers' Union FNTT in May 2003. No backwage claim has been lodged for the crew since the ship has no value, and the claim of the port authority for salvage costs would take precedence.

Prospects for compensation of crew: None.

Case 2

Vessels: Asphalt 1, Asphalt Carrier, Al Baraka

Flag: Panama (FOC)

Ages: 21, 23 and 26 years

Owners: Arabian Tankers Company

Crew: 32: From Ethiopia, India, Russia, and Ukraine

Abandoned: July 2002 in the United Arab Emirates at Sharjah and Ajman ports

Means of survival: Food and fuel from the Mission to Seafarers centre in Dubai

Requests for assistance made to: Panamanian registry

Response: Ignored

Repatriated: May 2003 by the seafarers' center

Salaries: Total claim over \$300,000, some claimants unpaid for 20 months before abandonment

Case history: The three sister ships were admitted to the ports of Sharjah (*Asphalt 1*) and Ajman in July 2002 under "portofuge" status after the owner reportedly ran out of money, and ceased to provide provisions.

The crew depended for their survival entirely on the support of the local Mission to Seafarers center. Many of the crew had worked regularly for the company for up to nine years. Hence they were prepared to believe promises

month-after-month that payment would come at the next port.

Once abandoned, the crews were initially keen to hold out for their money. However, by April 2003 most were ground down by their dire living conditions. At this stage some had been unable to send money home to their dependent families for up to 18 months. They were desperate to get home and willing to leave power of attorney in Dubai and wait for a settlement.

The Mission to Seafarers successfully repatriated the crews in May 2003. Court cases had been filed against the ships in Dubai and Ajman. The cases had been repeatedly adjourned while awaiting the outcome of various summonses to and appeals from the owners. Having declared themselves bankrupt, the owners are actively opposing the rights of their crews to wages by appealing the decisions made by the tribunals in favor of payment for the individual seafarers.

Prospects for compensation of crew: lawyers are hopeful that wages (no casts) will eventually be recovered from the sale of the vessels, even if only for scrap.

Case 3

Vessel: *Al Yassin 1* (cargo ship)

Flag: Syria

Age: 47 years

Owner: Suleyman

Crew: 16 Pakistani

Abandoned: April 2003, Aden, Yemen

Means of survival: Pakistan Seamen's Union

Salaries: None paid for seven months before abandonment

Requests for assistance made to: Pakistani embassies in Yemen and London. Ministry of Foreign Affairs in Yemen

Responses: Acknowledgments given, arrangements made for repatriation

Repatriated: a crew in May 2003 (via Pakistani embassy in Aden). Five remain in Aden to file court case for unpaid wages in Yemen.

Case history: When the ITF was notified that the *Al Yassin 1* was stranded at Aden in Yemen in April 2003, the crew had been unpaid for seven months and were living in dangerous conditions anchored in rough seas. There was no safety or communications equipment (life jackets, life rafts, fire extinguishers etc.) and crew members talked of finding many holes in the ship's bottom and in the hull.

The owner could not be contacted, having failed to pay the crew's salaries for seven months. Following requests from the ITF and the Pakistani Seamen's Union, the Pakistani embassy in London arranged repatriation for crew members in July 2003. Five crew remain in Aden having filed a court case for unpaid wages. The PSU secured the arrest of the ship's owner in Aden, by the Federal Investigation Authority of Pakistan. However he is bankrupt and the ship, built in 1957, has negligible sale value even for scrap.

Potential for compensation of crew: Some hope that Pakistani government will eventually take responsibility, since the manning agents operated through the government shipping office.

From: Transport International, publication of the ITF.

SUP ELECTION RESULTS

CERTIFICATE OF ELECTION

Election held December 2003-January 2004. Tabulated February 2, 2004, by Pacific Election Services, Inc., Impartial Balloting Agent. This is to certify that the following are the true and correct results of the election:

PRESIDENT/SECRETARY-TREASURER

Gunnar Lundeberg 831 ELECTED

VICE PRESIDENT/ASSISTANT SECRETARY-TREASURER

Dave Connolly 821 ELECTED

SAN FRANCISCO BUSINESS AGENT

William Berger 584 ELECTED
 William Henneberry 218
 Paul Calais 91

SEATTLE BRANCH AGENT

Vince O'Halloran 848 ELECTED

WILMINGTON BRANCH AGENT

Keith Miller 435 ELECTED
 Robert Burns 384

HONOLULU BRANCH AGENT

Mike Duvall 839 ELECTED

SUP BUILDING CORPORATION TRUSTEE

Gunnar Lundeberg	703	ELECTED	Mark Hurley	330
Dave Connolly	627	ELECTED	Paul Calais	239
William Berger	607	ELECTED	Michael Worth	145
Duane Nash	464	ELECTED	Robin Colonas	108
Norman Christianson	432	ELECTED	Robert Copeland	107
William Henneberry	361		George Blake	75
			Steven Clemens	54

SIUNA CONVENTION DELEGATES

Gunnar Lundeberg	702	ELECTED	Paul Fuentes	114
Dave Connolly	581	ELECTED	Michael Worth	112
William Berger	502	ELECTED	Robin Colonas	83
Norm Christianson	382		Robert Taylor	42

CONSTITUTIONAL AMENDMENTS

Amendment #1. Dues Increase to \$150 per quarter:

YES	208	57.6%
(FAILED) NO	153	42.4%

Amendment #2. Raise Vice President's salary by \$10,000 per year:

YES	385	50.0%
(FAILED) NO	385	50.0%

SHIPPING RULE AMENDMENTS

Shipping Rule #4. Two for one seniority on LMSR vessels:

YES	169	46.6%
(FAILED) NO	194	53.4%

Shipping Rule #11. Equal distribution of Hiring Hall jobs:

(PASSED) YES	296	82.5%
NO	63	17.5%

Shipping Rule #23. Requirements for Bosun's stamp:

(PASSED) YES	241	66.2%
NO	123	33.8%

(Constitutional Amendments require two-thirds majority, Shipping Rule amendments require simple majority.)

PACIFIC ELECTION SERVICES, INC.

By: Robbin A. Johnson, Manager, Non-Governmental Election Services
 Election Services Inc.

BALLOTING COMMITTEE'S REPORT

SAILORS' UNION OF THE PACIFIC

February 2, 2004

We, the duly elected Balloting Committee, herewith submit our report on the Sailors' Union of the Pacific election of officers, Constitutional Amendments, and Shipping Rule changes for the 2004-2006 term.

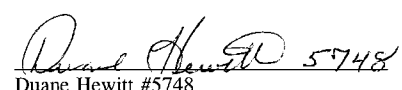
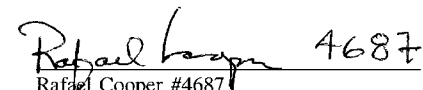
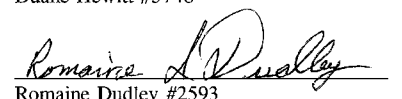
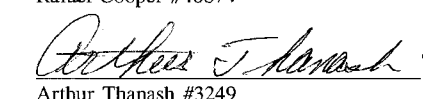
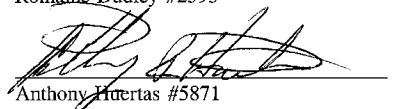
The Balloting Committee turned to at 0800 Monday, February 2, 2004, at SUP Headquarters, to check and to verify the standing of those eligible to vote in this election. We then met with the Impartial Balloting Agent from Pacific Election Services, Inc., picked up the mailed ballots from the U.S. Post Office in San Francisco and transported them to the SUP Headquarters library where the vote took place.

Your elected committee, acting as observers, was present throughout the entire process of opening the ballots and preparing them to be inserted into the equipment where the votes were counted and the results printed out on the tally sheet. During the entire procedure, we were joined by SUP members who wished to witness the count.

The election count took place only after all the ballots were cross-checked with the master mailing list for verification and eligibility. After all of this was completed the official vote was run and tallied at 1:03 P.M.

After completion of the ballot count, all balloting material was boxed, sealed, and signed in the presence of the Committee and Mr. Robbin Johnson of Pacific Election Services, Inc. The sealed boxes were then placed in a safe, and will be kept for one year, as required by federal law.

Your elected committee adhered strictly to the mail balloting procedure, Article XIII, Section 6 through 11, and proceeded with due caution in every respect. We can report that the tabulation ran smoothly and was handled in a first-class manner by Pacific Election Services, Inc..

 Duane Hewitt #5748	 Rafael Cooper #4687
 Romaine Dudley #2593	 Arthur Thanash #3249
 Anthony Huertas #5871	



The crew from Pacific Election Services, Inc. begins counting the ballots in the library at Headquarters on February 2. Robbin Johnson, from Pacific Election Services, is standing on the left.

Certificate of Accounting of returned mailed ballots

We hereby certify that the following is the complete accounting of the official ballots which were voted and returned to the Post Office Box for this election.

Returned voted ballots	941	
Ballots not counted	9	/s/Rafael Cooper
Ballots counted	932	/s/Romaine Dudley
Dues delinquent	8	/s/Duane Hewitt
Signed	1	/s/Robbin Johnson

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ General Fund

West Coast Sailors

*In lieu of dues increase.

Bill Berry	50.00	Jerry AhSam	10.00
Sandy Earle	20.00*	Joe Amey	15.00
Peter "Tattoo" Gardiner	20.00*	Alfred Anderson	50.00
Art Garrett	30.00	Melvin Armon	20.00
Daniel Gonzales	100.00	John Battles	25.00
Robert Greene	40.00	Raymond Bell	50.00
Mark Hargus	40.00	Richard Chung	25.00
Joseph Jean	100.00	Mark Cohen	25.00
Eli Lalich	20.00	Thomas Curran	25.00
Mark Littlejohn	40.00*	Robert Doyle	25.00
Whitey Secrest	50.00	Paul Farillas	10.00
Jorge Sosa	30.00	Ledo Forassiepi	20.00
Jack Stasko	20.00	Donald Gossett	25.00
Morris Thibodeaux	80.00*	Paul Herriott	75.00
Roy Yates	100.00	Joseph Jean	100.00
		John Johnston	25.00
		Eli Lalich	60.00
		Thomas Larkin	10.00
		Melvin Mate	10.00
		Joseph Mills	25.00
		Dave Munroe	25.00
		John Nannini	25.00
		Terry O'Neill	20.00
		John Palenapa	25.00
		Earl Phillips	25.00
		Jack Post	25.00
		Angels Rossane	25.00
		Randy Runyan	15.00
		John Rushing	50.00
		Stephen Rydberg	50.00
		Virgil Sieben	15.00
		Gerald Spafford	25.00
		Rene Valles	10.00
		Richard Walsh	10.00
		Carl Ziegeler	20.00

Dues-Paying Pensioners

Romaine Dudley	Book #2593
Duane Hewitt	Book #5748
Knud Jensen	Book #3940
John Jewett	Book #4291
Tony Jones	Book #4305
Kaj E. Kristensen	Book #3120
Eli Lalich	Book #4062
Gunnar Larsen	Book #3516
Orson Larsen	Book #4095
John McKeon	Book #6456
Joseph Napier	Book #2299
John Perez	Book #3810
Ralph Senter	Book #7323

Political Fund

Joe Amey	15.00	Michael Murner	40.00
Jose Calong	20.00	Mark Myser	25.00
Thomas Curan	30.00	Terry O'Neill	50.00
Frank Dufek	40.00	Ted Ochoa	20.00
Edgardo Figuracion	25.00	John Perez	25.00
Toetaua Gago	20.00	Ray Ramirez	20.00
Art Garrett	50.00	Stephen Rydberg	100.00
Philip Howell	50.00	Vince Sullivan	80.00
Eli Lalich	100.00	Tulilo Tautala	20.00
Gunnar Lundeborg	50.00	Troy Vanhieden	10.00
David Mercer	25.00	Erik Williamson	20.00
David Munroe	20.00	William Williamson	20.00
		Dan Ycoy	10.00

Aussie Union slams ship of shame

The Cypriot-flagged *Eurydice* which has been banned from Sydney Harbor since the weekend of February 14 after leaking oil from a cracked hull off the NSW coast, is a flag-of-convenience, better known in the shipping world as rust bucket or ship of shame.

"Yet again a flag-of-convenience vessel has posed a threat to the Australian marine environment courtesy of the federal government's shipping policy," say Maritime Union of Australia National Secretary Paddy Crumlin. "FOC shipping is haven for the walking wounded marginalizing safety and crew and threatening the environment to avoid responsibility and costs. Minister Anderson says we should dump Australian ships for this sort of rubbish. He should come clean. He needs to wake up once and for all to the threat these vessels hold to our community."

FOCs have been behind the majority major oil spill and marine pollution. Despite being a double hulled vessel, the *Eurydice* is 18 years old and very close to its 'use by date', with a crew of Russian, Indian and Philippines seafarers. It has a history of problems including a collision with a chemical dock and barges in the Gulf of Mexico in October 2002.

Coast Guard begins to issue fines to vessels not in compliance with Maritime Transportation Security Act

The Coast Guard has begun issuing civil penalties of \$10,000 each to the roughly 50 percent of vessels and port facilities that have not yet submitted security plans as required by the Maritime Transportation Security Act.

"Security in America's ports is a shared responsibility," Rear Admiral Larry Hereth, the Coast Guard's Director of Port Security, said in a statement. "We have made tremendous progress protecting the ports and we need everyone to continue that progress by meeting these requirements." He added that "though most have complied, the Coast Guard will be aggressively pursuing those who do not."

The Coast Guard did not release details of the vessels and facilities to be hit in this first wave of penalties, stating that names would not be released to the public for security reasons. A spokeswoman, however, did say that 200-300 facilities have failed to turn in documentation as well as 600-700 vessels. She added that further penalties were likely for continuing non-compliance, up to \$25,000.

The 90 percent compliance rate so far may be short of ideal, but it is still a significant advance on the situation a month ago, when only around one half of all vessels and less than on third of port fa-

cilities met the initial December 31, deadline for filing security plans. At the same time, the agency noted "the act mandates that all affected vessels and facilities be in compliance by July 1, and timely security plan submission is a key milestone in reaching that goal." Additional civil penalties aside, the Coast Guard warned that "non-compliant operators may have their operation shut down after July 1, if an approved security plan is not in place."

The Coast Guard is also taking steps to ease its plan approval and enforcement burden for the International Ship and Port Facility Security Code (ISPS) in the months running up to the July deadline by inspecting vessels for compliance now. Captain Joe Brusseau, the agency's Director of Field Operations for Marine Safety and Environmental Protection, said last month in commenting on the ISPS Code that there will be no sanctions for vessels found to be out of compliance in the first half of the year, but there will be "a conversation" and possibly a letter stating that the vessel must comply by July 1. By the same token, Captain Brusseau said that from April vessels found to be in compliance with the code would likely be issued with confirmation letters to that effect. "That should relieve some of the pressure on us come July 1," he said.

United States gets tough on foreign ports in non-compliance with security

Any country that denies access to U.S. government teams inspecting foreign port facilities after July 1, will be deemed non-compliant and its vessels will be "subject to extensive port state control actions, up to and including denial of entry," a U.S. official told a Washington maritime security conference last month.

Mike Brown, a member of the U.S. Coast Guard's Foreign Port Security Assessment Team, also said the Coast Guard will use criteria that may deviate from international standards. The inspections are required under a maritime security bill passed in 2002, making the United States the only country in the world to undertake such unilateral action. Maritime consultant Daniel Sheehan, a former Coast Guard official who chaired Brown's session, said the U.S. government had "exceeded its mandate" in the inspections.

New Hollywood movie may save s/s *Catalina* from Ensenada graveyard

A Hollywood movie may save the 1921-built steamship *Catalina*, which is continuing to deteriorate in a semi-sunken position at Ensenada, Mexico. Ken Wales, a Hollywood producer who is hoping to bring the World War II loss of the military transport *USAT Dorchester* to the big screen, has singled out the *Catalina* as the best available stand-in for the lost vessel.

Wales wrote "Sea of Glory" a novel covering the loss of the *Dorchester* and

plans to give the new movie the same title. Mel Gibson has shown interest in the project, as has Ed Zwick, director of "Last Samurai."

Salvage cost for the *Catalina*, which went below the surface several years ago because of leakage around the shaft seal, has been estimated at between \$1.5 and \$2 million. Mexican authorities want the ship removed or dismantled as soon as possible because it stands in the way of a major harbor development.

Neptune Orient Line exits from tanker shipping business; focuses on containers & logistics

With the recent sale of Neptune Associate Shipping (NAS) for an \$8 million profit, Neptune Orient Line (NOL), parent company of APL, Ltd., has gotten out of the tanker business.

Last year, the Singapore company sold American Eagle Tankers for \$445 million to Malaysia International Shipping Corp., which also acquired \$580 million in debt in the process. Following that sale, NOL signalled its intention to sell NAS, finally completed through an eight-month auction sale process.

The finalization of the sale leaves NOL with just two businesses: container shipping and logistics.

David Lim, NOL president and chief executive, said: "The divestment of NAS is another key step in our strategy to focus on, and build, our core capabilities in global transportation and logistics."

The proceeds from the sale will be used to further reduce NOL's debt of \$1 billion, although it has now brought its debt/equity ratio under one for the first time in many years.

Unions unveil Workers' Compensation Reform

Plan gets California workers back on their feet, protects employers

On February 11, California's Unions unveiled a comprehensive plan to reform the workers' compensation system.

"This plan will create incentives for employers to get injured workers treated and back to work as soon as possible," said Art Pulaski, executive secretary-treasurer of the California Labor Federation, AFL-CIO. "It is a comprehensive and cost-saving plan."

If enacted by the legislature, the plan will:

- **Maintain access to benefits and medical care for injured workers.** Injured workers will get immediate medical attention while their claim is being reviewed, and workers will be allowed to choose their own doctor.

- **Return employees back to work.** Employers will get financial incentives to return workers to their jobs.

- **Integrate social insurance programs into a seamless safety net.** The integration of workers' compensation medical treatment and group health insurance (for those covered by collective bargaining agreements) will begin.

- **Regulate unregulated costs throughout the system.** Legal, insurance, and medical costs will be further contained.

- **Create better cost-saving standards in the system.** More uniform standards for medical diagnoses and treatment, protocols for prescriptions, and a fee schedule for doctors and hospitals will be created.

Tom Rankin, president of the Federation, said the plan is good for both injured workers and employers.

"We address the legitimate concerns raised by the business community here," said Tom Rankin. "The fact is, this plan will save billions of dollars while continuing to protect injured workers."

[A summarization of the plan follows. The full 76-page document can be obtained by contacting Nathan Ballard at nballard@calaborfed.org.]

Workers' Compensation Proposal Summary PERMANENT DISABILITY (PD) AND RETURN TO WORK (RTW)

Adopting the recommendations of the recently released report on PD and Wage Loss issued by the RAND Institute, organized Labor proposes to implement a series of substantive reforms to California's PD and RTW components within the workers' compensation system. These proposals will promote efficiency, consistency and cost-savings within the system, without diminishing benefits for injured workers. Additionally, these proposals create incentives to return injured workers to work by dismantling current system components which serve to keep workers in the system too long without going back to work.

- **Two-Tiered Benefit System:** This proposal creates a two-tiered benefit system with Tier-One entitling workers who receive a return to work to offer a base level of permanent disability and Tier-Two entitling workers who do not receive a return to work offer to a supplemental PD benefit.

- **PD Rating Schedule:** This proposal provides for a PD rating schedule based on the findings of the RAND study and on descriptions in the American Medical Association (AMA) Guides to the Evaluation of Permanent Impairment in

conjunction with wage loss data.

- **PD Report Writing and Diagnoses:** This proposal would establish PD report writing requirements for doctors that tie back to the AMA guides, and would require that diagnosis follow the American College of Occupational and Environmental Medicine (ACOEM) guidelines.

- **TD and PD at Same Rate:** This proposal would require that workers' compensation PD payments be made at the same benefit rate as temporary disability (TD) indemnity payments, without altering the total amount of the PD benefit paid. This would result in an injured worker receiving the PD benefits in larger amounts but for a shorter period of time.

- **Revamp RTW:** This proposal would repeal the existing return-to-work (RTW) language for a RTW program that was never funded and never implemented. A new program would provide specified reimbursement to insured employers for the costs of workplace modifications to help industrially disabled workers return to work at their at-injury employers as well as provide a transferable credit to the new employer. This proposal would administer the program through the insurance carriers based on specified criteria.

REDUCING UNNECESSARY COSTS AND DELAYS

Costs increase whenever a dispute arises between the injured worker, the employer and or/the insurer regarding benefits, benefit delivery, compensability or a myriad of other issues within the workers' compensation system. Accordingly, the more certainty that can be injected into the system, the greater reduction there will be in disputes and the related costs. Labor proposes implementing a series of reforms that will ensure certainty, continuity of care and a substantial reduction of disputes and costs.

- **Presumed Compensability:** This proposal would reduce the time from 90 days to 45 days that an employer / insurer has to reject liability before a workers' compensation claim of injury or illness is presumed compensable for non-cumulative trauma injuries or illnesses. Employers would continue to have 90 days to investigate psychiatric or cumulative injury or illness claims.

- **45-Day Medical Control:** For workers who have not pre-designated a physician, the proposal would increase the period of employer's control of medical treatment from 30 days to 45 days from the time the injury is reported. This conforms to the proposal to require that employers provide medical treatment pending a determination of liability and that the determination of liability be made within 45 days on claims for specific physical injuries.

- **Immediate Medical Treatment:** This proposal would provide that within one working day after an employee files a claim, the employer shall authorize the provision of all necessary treatment for the alleged injury and shall continue to provide the treatment until liability for the claim is accepted or rejected.

- **Expansion of Second Opinion Process:** This proposal would expand the second opinion provisions of SB 228 (Alarcón) to cover medical determinations that fall outside the ACOEM guidelines or the medical treatment utilization schedule adopted by the Administrative Director.

- **Medical Billing:** This proposal would tie physician payments to a cost-neutral Resource Based Relative Value System (RBRVS), consistent with payment system provisions adopted in SB 228 and the Medicare program. Under this schedule, hospital costs would be reduced by 5%.

- **Billing Above Fee Schedule Rate – Pattern or Practice Penalty:** This proposal would require medical providers to bill at or below the fee schedule rate unless under contract and would provide that a pattern or practice of billing above the rates would be subject to penalty provisions as established by the AD.

- **Penalties for Unreasonable Delay or Denial:** Current law, as interpreted by the courts, provides for a penalty of 10% of the entire species of benefit when a payment of the benefit has been unreasonably delayed or refused. A "species of benefit" is a broad type such as Temporary Disability (TD), PD, medical treatment, death benefits, or vocational rehabilitation benefits. The penalty applies to the entire species, including amounts paid both before and after an award. The courts have criticized current law in part because the amount of the penalty bears no relationship to the amount delayed or extent of the delay. This proposal would provide for a penalty of the lesser of \$5,000 or 15% of the amount that was unreasonably delayed or refused. When there have been more than three unreasonable delays of one species of benefits, the entire species of benefits would be increased by the lesser of \$10,000 or 15% of the entire species of benefits.

- **Integrated System Carve Out Pilot:** Current law allows for special negotiated "carve out" programs where a collective bargaining agreement exists. This proposal would allow the establishment of a seamless health and disability system in qualifying carve-outs, without regard to the cause of the sickness or disability. This proposal also establishes a health care and disability pilot program and provides that the Commission on Health and Safety in Workers' Compensation (CHSWC), a joint labor-management governmental body, evaluate the pilot and issue a report.

- **Attorney Fees:** This proposal would provide for an attorney fee schedule that reduces incentives to seek PD awards to the detriment of return to work. Current law does not provide for an attorney fee schedule. Although fees are regulated to some degree by the Workers' Comp Appeals Board, there is no maximum on

attorney fees for awards under the current statute.

INSURANCE MARKET REREGULATION

California's workers' compensation insurance market was deregulated in the early 1990's. Seeking market share and cash flow with which to make investment profits, many insurers under-priced their insurance product. When the investment profits declined, the premiums were inadequate to pay the losses, and many companies became insolvent. The California Insurance Guarantee Association (CIGA) is responsible for paying the covered claims of the insolvent insurers. The influx of claims creates a crisis for CIGA and the disappearance of insurers creates turmoil for employers. This proposal is intended to prevent a repetition of the large volume of insolvencies that have occurred since the abolition of the minimum rate law.

This proposal also ensures that rates reflect real insurance costs and are not excessive. Most insurers have not passed on the savings generated by last year's reforms. At the same time, the insurance profitability cycle is turning upward. Without regulation, profits are likely to soar and employers are unlikely to see costs reduced as a result of reforms.

- **CIGA Deductibles:** This proposal would authorize CIGA to assess the deductible portion of a workers' compensation insurance policy with a deductible provision. Current law provides that CIGA may assess the workers' compensation premium net of deductibles. The current assessments are made on net written premium.

- **Insurance Industry Regulation:** This proposal would direct the Insurance Commission to examine the business affairs of the major workers' compensation insurers at least every two years, for ten years, and then it would sunset unless extended. The Commissioner may disapprove them and may order other rates if the insurer has no approved rates. This proposal would require that rates below the advisory pure premium must first be filed with the Commissioner 60 days before they can become effective and that the insurer has the burden of proving that the rates are adequate and not excessive.

- **Broker Fees:** This proposal would provide that the Insurance Commissioner establish commission rates for broker-agents placing WC policies, and require an interim roll-back of fees and elimination of State Compensation Insurance Fund (SCIF) broker fees until the Commissioner establishes rates.

ILA and USMX negotiate for a new contract

The International Longshoremen's Association, AFL-CIO (ILA) and United States Maritime Alliance, LTD. (USMX), concluded two days of Master Contract negotiations last month in Tampa, Florida, where the two sides expressed optimism of reaching an agreement on a new contract by the end of March 20.

John Bowers, president of the ILA and its chief negotiator and James A. Capo, Chairman and CEO for USMX, characterized the Master Contract negotiations as productive and helpful toward reaching a settlement on a new agreement six months before the current contract expires on September 30, 2004.

The ILA represents waterfront workers at major port areas on the Atlantic and Gulf Coasts. USMX is an alliance of container carriers, direct employers and port associations serving these East and Gulf Coasts.

"The ILA and its employers represented by USMX exchanged proposals and studied economic conditions in the shipping industry," said Bowers and Capo at the conclusion of the current round of negotiations. "We have a better understanding of the needs and concerns of ILA members and their employers. There remains a good deal of information that needs to be examined by both sides in order to successfully conclude these negotiations. We are optimistic that a new contract can be negotiated in the near future."

ESU Office Assignments

For the month of March, Leo DeCastro will be in the Seabrook office and John Straley will be in the Benicia office.



FEBRUARY 2004

Official Publication of the Exxon Seamen's Union

ESU continues to file unfair labor charges against SeaRiver

In addition to two Unfair Labor Practice (ULP) charges that the Exxon Seamen's Union filed with the National Labor Relations Board and reported in these pages last month, the Union has now filed two additional charges since the last publication of the *West Coast Sailor/ESU News*. At press time the Union anticipates filing at least three more charges. These charges are all similar in nature, relating to SeaRiver Maritime's refusal to facilitate the Union's information requests. To date, the refusal by the company to provide information revolves around requests necessary for the Union to properly investigate and represent disciplinary and termination cases involving ESU represented employees. One of the charges also involves the failure of the company to promote two individuals.

In a change in procedures initiated by SeaRiver management, the company has placed unprecedented restrictions on the Union's ability to obtain information, including personnel files and other related materials that are essential to the Union to properly represent its membership. Additionally, this action on the part of SeaRiver Maritime, Inc., in the Union's opinion, and based on the advice of legal counsel is a violation of the law. Furthermore, it unilaterally changes the practice in regard to obtaining information that has been in place for over twelve years.

The filing of ULP charges is a decision that the Executive Board of the ESU does not arrive at casually, and is only made after careful consideration of all facts surrounding an issue have been evaluated and all other reasonable resolutions to the problem have been pursued. The legal and administrative costs, as well as the considerable time involved that these filings require are also factors when the Executive Board weighs the necessity of bringing a formal charge against the company.

In consideration of the substantial impact to the Union by the filing of these charges, the Union has attempted on several occasions to communicate with both SeaRivers' Human Resources Department and Legal Department the Union's concern and determination to, if necessary, initiate this course of action. After numerous attempts, the Union was unable to resolve the matter with management. The company continues to pick and choose what information it will provide and to demand that a Union officer come to the company offices to review files and to pay for any copies that are obtained. This has never been the practice for information requests between the parties. It simply throws up roadblocks to the Union's ability to perform its legal duty of representing its members.

In written statements to the NLRB, the Union has stated, "*The refusal of the employer is in bad faith and in retaliation for Union statements concerning its intent to represent its members.*" The Union continues to maintain that the

company's refusal to provide needed information to the Union as requested is, at least in part, a result of discussions that the Executive Board has had with management involving the Union's concern about a host of medical surveillance issues that have persisted, in which the Board Officers' made clear their intention to closely monitor the operations of the Medical Department.

The failure of the company to provide the Union unfettered access to documents required to adequately represent its members raises reasonable questions as to what might the company be hiding or what information it is reluctant to allow the ESU to view. As a result of SeaRivers' decision to deny these information requests, the Union, due to contractual time constraints in filing grievances are now forced to file grievances in all cases where information is not freely provided. The Executive Board Officers do not have acceptable access to the information necessary to investigate and determine whether a grievance is warranted and must now assume that it is.

Furthermore, this course of action that SeaRiver has chosen to embark on threatens to do severe damage to relations between the Exxon Seamen's Union and

the company. This relationship has in the last several years improved significantly after reaching a very critical low in May of 2001, culminating in the rank and file of the ESU voting overwhelmingly to authorizing the calling of a general strike because of the company's refusal to offer a fair and equitable wage increase during the annual wage reopener of the contract. Since that time the Union and management have worked together to successfully conclude the wage reopener and to negotiate a three-year Collective Bargaining Agreement.

Shortly following the conclusion of the wage reopener negotiations in the spring of 2001, the Union and management agreed to enter into frequent face-to-face communication meetings. These meetings have continued to the present and were designed in such a manner to allow for free and unencumbered exchanges and discussions by both parties without concern of reprisal for those exchanges. The ESU charge of retaliation by the company, as cited in the ULPs, refers directly to retaliation by the company in the form of information denials for comments made by the Union during a Union/Management Communication meeting.

The ESU Executive Board is both con-

cerned and perplexed as to the company's motivation for violating not only well established dissemination of information procedures, but protocols established for the conduct of the Union/Management Communication meetings. Ironically, these meetings were created to improve and maintain acceptable labor and management relations.

As previously stated, the Union had high hopes that 2004 would be a year in which the Union would continue to build and strengthen its working relationship with management and continue to improve on that relationship leading in to negotiations in 2005. However, these recent actions by the company have created an atmosphere of serious doubt as to the future of the Union and company's working relationship.

The Executive Board is hopeful that more reasonable heads in management will prevail, and that the company will reverse the course that they are now headed in with respect to its represented employees. This course of action can only lead to a further deterioration in both parties ability to fulfill what should be the primary goal of both parties, providing the best possible work environment for the employees of SeaRiver Maritime Inc.

Court continues to insist on ExxonMobil paying large penalty/appeal planned

On January 28, 2004 U.S District Court Judge Russell Holland in Anchorage, Alaska announced his ruling in the long-fought punitive damage settlement against ExxonMobil, Corp., in response to the 1989 grounding of the Exxon *Valdez* and the resulting damage from the incident. In August of 2003 a U.S. appeals court ordered Judge Holland to review a \$4 billion punitive damage judgment rendered by the Judge, after an original punitive damage award of \$5 billion by the Judge.

In Judge Holland's latest ruling, ExxonMobil is ordered to pay \$4.5 billion in punitive damages, a half a billion dollar increase over the previous judgment. This newest ruling, in addition to the punitive damage award, has mandated that \$2.25 billion in interest be paid, resulting in a total payout by the corporation of almost \$7 billion.

In the Judge's ruling, he defended the original \$5 billion verdict.

"This court has engaged in an exacting review of the \$5 billion punitive damages award not once or twice, but three times, with a more penetrating inquiry each time." Judge Holland continues, "This court again concludes that a \$5 billion award was justified by the facts of the case and is not grossly excessive so as to deprive Exxon of fair notice - its right to due process."

In an ExxonMobil press release also dated the 28th of January and provided to

the ESU, the parent company of SeaRiver Maritime, Inc. states in part, "The Ninth Circuit Court of Appeals has twice vacated Judge Holland's decisions in this matter. This is exactly why ExxonMobil argued before the Ninth Circuit last year that the case should not be remanded to Judge Holland. We said it would result in serious delays and would be sending the case back to a court that has already made numerous mistakes with regard to the punitive damages issue." Statements in the company press release are attributed to Charles Matthews, Vice President and General Counsel of ExxonMobil.

In a Reuters report, Ross Mullins, a fisherman and longtime critic of the oil industry and resident of Cordova, Alaska, was quoted as saying, "I'm not going to characterize it as dancing in the streets, because we've been there and done that. We're just quietly waiting to have everything resolved."

ExxonMobil stated that, "ExxonMobil paid \$300 million immediately and voluntarily to more than 11,000 Alaskans and businesses affected by the spill. In addition, the company paid \$2.2 billion on the cleanup of Prince William Sound, staying with the cleanup from 1989 to 1992, when the State of Alaska and the U.S. Coast Guard declared the cleanup complete."

Mr. Matthews was also quoted as pointing out that the trial court noted in

its ruling that, "... immediately after the spill Exxon stepped forward with both its people and its pocketbook and did what had to be done under difficult circumstances."

The corporation, in making clear its intention to appeal this latest ruling commented that, "This ruling flies in the face of the guidelines set by the appeals court when they sent this case back to Judge Holland. It will unfortunately, require us once again to appeal an order that is entirely inconsistent with the law already established by the Ninth Circuit, as well as principles set forth by the Supreme Court."

Lead attorney for the plaintiff, Dave Oesting speaking on an ExxonMobil appeal stated, "They'll certainly appeal this, but once they do then I don't think the Circuit's going to do anything more than issue a decision and be done with it. The case has been through so much judicial review that further appeals are unlikely to cover any new ground."

The day following the courts ruling, on January 29, 2004, the corporation announced the results of their fourth quarter earnings resulting in a net income of \$6.65 billion. A year earlier the company reported a net income of \$4.09 billion in fourth quarter income. Estimated total net income for all of 2003 was announced at \$21.51 billion.

ESU News

Tentative training schedule for 2004

The Joint Union/Management Training Committee (JUMTC) met January 27, in Houston, Texas to finalize training schedules and discuss future training ideas and needs. Representing the ESU was Board Representative to the JUMTC Tommy Thompson, as well as, department Trustees Will Ackley (Engine), Pat Campbell (Deck) and Gerard Nelson (Stewards).

The tentative scheduled for 2004 has been published and should be available aboard vessels. The ESU Training Committee emphasized the importance of developing more training opportunities for the entry level position (MS) and is working to develop such courses independent of the company and will be presenting a comprehensive proposal to SeaRiver managers in the near future. This, along with an earlier effort by the ESU that will result in onboard training opportunities for the Stewards Department employees and members presently on the Cooks promotion list paves the way for a more balanced training schedule in respect to all departments.

Additionally, a system for selecting trainees for both the Advanced Deck/Engine (ADO and ADO) skills courses was established at the JUMTC meeting and the following rules will apply:

- Individuals are to notify their Fleet Manning Administrator as to which course/s they would like to attend. The Fleet Manning Administrator will record the date of the request and submit it to the Training Assistant.

- Candidates will not be relieved from a vessel to attend a course outside of the employees' normal rotation.

- The sign-up period to be considered for a course will be 30-days prior to the start of the course. After that time there

will be what will be referred to as a "blackout period."

- Candidates will be ranked for acceptance by order within the rating. The seven (7) most senior candidates in both the engine and deck will be selected. For a total of fourteen (14) trainees.

- Any slots that may remain open can be filled by individuals that requested inclusion in the scheduled class during the blackout period, by rating seniority.

- Senior candidates that request consideration for a class while onboard a vessel during the blackout period will be put on the list for the next available course subject to the seniority rule.

- Senior candidates that are off the vessel and wish to attend a course but apply during the 30-day blackout period will be slotted as space is available.

Training courses will be filled in "seniority in the rating" order:

- Able Body Seamen are considered ahead of Maintenance Seamen

- Pumpman ahead of QMED's

- QMED's ahead of MS

In discussions at the JUMTC the possibility of additional courses being added during the year is a possibility if demand warrants such additions. Below, is a partial list of courses that pertain to members, not including any travel days:

Basic Firefighting: Feb. 9-10, Mar. 8-9, April 5-6, May 3-4, June 7-8, Aug. 9-10.

Advance Firefighting: Feb-24-28, March 23-27, April 20-24, May 25-29, June 22-26, Aug. 17-21 **AEO/DLC:** June 8-14, Oct. 12-18

ADO/DLC: June 10-16, Oct. 14-20

The Union encourages participation in these and other training courses as they become available.



Pictured: Robert "Bob" Knight, ESU Ship Representative aboard the S/R Charleston and an active supporter and contributor to this Union for nearly 33 years. Bob is still "getting it done" as a Pumpman aboard the "Charley."

Executive Board meets appoints Ship Representative to the S/R Wilmington

The ESU Executive Board's four principal members, Jerry Patterson, John Straley, Leo DeCastro and Tommy Thompson met on the evening of January 27, 2004, to discuss and vote on a number of pending Union issues. This meeting was held at the Doubletree Hotel in Houston, Texas prior to a scheduled meeting with SeaRiver management.

Among the business conducted by the Executive Board was the appointment of a Ship Representative to the SeaRiver Wilmington. Three (3) members put their name forward for consideration by the Board to fill this vacancy created by the resignation of Ship Representative Al Cooper. The Board, after considerable discussion and thought voted to appoint Charlie Pollard as the "Willy's" Ship Representative. Charlie will fulfill the

remainder of Al's term.

The Executive Board's decision was made even more difficult as all three candidates; Charlie Pollard, Rick Bauer and Bob Ross are all of the highest caliber and longtime active supporters of the Exxon Seamen's Union. The Board sincerely appreciates Rick and Bob stepping forward to volunteer to serve their Union and pledges it's support to Charlie as he assumes his new responsibilities.

This appointment was the first made by the Executive Board since the Constitution and By-laws change in July 2003, allowing for the Board to appoint members to fill a vacancy to a Ship Representative position when more than a year is left in the term. The Executive Board also discussed and agreed on a protocol for allowing individuals to have their names submitted for consideration for the appointment and a timeline for the Board to decide on a Representative.

It was established that members would have 30-days to submit their names for consideration after the vacancy has been announced and that the Board would, by majority vote make an appointment after considering all members that have requested consideration. The Executive Officers believe that this procedure would still accomplish the intent of the Constitutional change, in that the vacancy would be filled in a much shorter period of time than before. Under the old Constitution and By-laws language, a 60-day nomination period and a 60-day voting period were required. Though an immediate nomination by the Board would shorten the vacancy period the Union believed that this procedure would hamper the Union in making the best possible decision as the Board would have no way of knowing all members interested in filling the vacancy.

Ship reports

S/R American Progress

Vessel visited on February 14, in Beaumont, Texas, at the ExxonMobil Dock after returning from the West Coast. Ship Representative, Chuck Bell reports everything is going well with no major beefs. It is anticipated the vessel will remain in the Gulf running between Texas and Florida.

S/R Baytown

Ship continues to trade between Valdez and the Puget Sound terminals. Ship Representative Mark Myser is enjoying paid leave while Able Bodied Seamen Amador Almanza fills the temporary Ship Representatives' billet. Amador is communicating frequently with the Executive Board and the crew is reporting no beefs.

S/R Charleston

Executive Board visited the ship on February 1 at the ExxonMobil Dock in Baytown, prior to the vessel departing for another trip to the West Coast. A possibility exists the "Charley" will have a multiple port trip Long Beach and San Francisco, CA. Regular Ship Representative Bob Knight on board, reports everything running smoothly.

S/R Columbia Bay

Executive Board Officer boarded ship on January 26 and February 15. Vessel scheduled for back-to-back

Valdez/S.F. Bay Area transits. Skip Williams filling in for Ship Representative Thor Floreen. Vessel reporting no major beefs.

S/R Galena Bay

Ship continues in lay-up status at Cascade shipyard. There has been no announcement as to when the vessel will be reactivated.

S/R Hinchinbrook

Vessel continues on ANS trade between Valdez and Puget Sound terminals. Mario Guarcello ably filling in for regular Representative Danny Jones who continues to mend at home. A number of complaints lodged from vessel concerning abuse of "necessary work" language by Chief Mate. Executive Board has communicated extensively with shore-side managers and believes that issues have been resolved.

S/R Long Beach

Executive Board visited vessel on January 16 and February 8, 2004 at Valero Dock, Benicia, CA. Two members reporting problems with dental care and the Union is investigating each case. Longtime Ship Representative Joe Graca onboard and keeping things in order

S/R Mediterranean

The ship is still trading in the Far East and everything reportedly is running smooth. Regular Ship Representative

Frank O'Mailia on board but will soon be going on P/L. The latest is the ship will be running until July 2004.

S/R Puget Sound

Vessel was boarded on January 10th in Beaumont Texas at the ExxonMobil Dock. Ship Representative Michael Harrison is back on board and reports everything running smooth. Vessel continues in the Gulf/Florida gasoline trade as of now.

S/R Wilmington

Vessel was visited at the ExxonMobil Dock, Baytown, Texas on February 12, 2004. Bob Ross is filling in as Temporary Ship Representative and reports everything going well. The vessel continues its regular routes with a stop over in Puerto Rico next time south.

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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Vice President John Straley

Secretary/Treasurer Leo DeCastro

Recording Secretary Thomas Thompson III

Deck Trustee Patrick Campbell

Engine Trustee William Ackley

Steward Trustee Gerard Nelson

Sailors' Union of the Pacific/ Training Resources, Ltd.

Schedule of Course Offerings for 2003/04

STCW 95 Basic Safety Training

• Basic Fire Fighting	• Basic First Aid		
• Personal Survival	• Personal Safety and Social Responsibility		
Feb 23-27	May 3-7	Jul 26-30	Oct 18-22
Mar 1-5	May 26-30	Aug 2-6	Nov 1-5
Mar 22-26	Jun 7-11	Aug 23-27	Nov 15-19
Apr 5-9	Jun 23-27	Sep 6-10	Dec 6-10
Apr 19-23	Jul 12-16	Sep 27-Oct 1	Dec 13-17

LMSR Vessel Training (MSC approved)

Feb 17-27	May 11-21	Aug 10-20	Nov 2-12
Mar 9-19	Jun 15-25	Sep 14-24	Nov 30-Dec 10
Apr 6-16	Jul 20-30	Oct 12-22	

Small Arms Training (MSC approved)

Mar 1-3	May 24-26	Sep 27-29	Nov 15-17
Mar 22-24	Jun 28-30	Oct 25-27	Dec 13-15
Apr 19-21	Aug 23-25		

Able Seaman (AB)

Mar 15-27	Jun 7-19	Sep 13-25	Nov 1-13
Apr 5-17	Aug 9-21	Oct 11-23	Nov 29-Dec 11
May 17-29			

Survival Craft (Lifeboatman)

Mar 29-Apr 1	May 31-Jun 3	Sep 27-30	Nov 15-18
Apr 19-22	Aug 23-26	Oct 25-28	Dec 13-16

Training Information and Enrollment

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California residents: VOTE MARCH 2

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San Francisco CA 94105



Welfare Notes

February 2004

The SUP Welfare Plan has become aware of more medical claims being processed for the treatment of diabetes for both active members as well as retirees. The onset of type 2 adult diabetes has become almost epidemic in the last few years. Diabetes can increase your risk for heart disease and strokes. In fact, people with type 2 diabetes are two to four times more likely to suffer from heart disease and stroke than people without diabetes.

Diabetes can hit people in all age groups and races. Some groups have a higher risk for developing type 2 diabetes than others. African Americans, Latinos, Asian Americans and Pacific Islanders as well as the aged population are becoming more and more susceptible to the disease.

Type 2 diabetes is the most common form of diabetes. In type 2, either the body does not produce enough insulin or the cells ignore the insulin. Insulin is necessary for the body to be able to use sugar. Sugar is the main fuel for the cells in your body, and insulin takes sugar from the blood into the cells. When glucose builds up in the blood instead of going into the cells it can cause two problems. Right away your cells may be starved for energy or overtime high glucose levels may hurt your eyes, kidneys, or heart. Too much insulin and too much glucose in the blood are traits of a condition called insulin resistance. Eventually the pancreas may fail from the strain, insulin production ceases and the result is type 2 diabetes. This type of diabetes increases as excess body weight and age increase. Most overweight or obese people are insulin resistant. Since being even 10 to 20 pounds overweight can be enough to set off type two diabetes staying in good physical condition becomes very important.

There are ways to offset this deadly disease. The time you spend now on eye care, foot care and skin care, as well as your heart and oral health, could delay or prevent the onset of type 2 diabetes. Some of the best things you can do now is to stop smoking and cut back on the amount of alcohol you drink.

It is important to make appropriate lifestyle changes. By maintaining a healthy meal plan and increasing physical activity you can reduce your chances of contracting this disease. Being at sea is a perfect time to start this program. The ships offer a wide selection of menu items that will allow you to eat good foods. Most of our ships have very well equipped gyms and exercise equipment that will allow you to start a work out regimen to fit you. The most important thing is become aware of the dangers of type 2 diabetes and what you can do to combat this disease.

SUP Welfare Plan

450 Harrison Street, San Francisco CA 94105

Telephone Numbers:

Main (415) 778-5490
Eligibility active members/dependents (415) 778-5491
SUP Money Purchase Plan, SUP 401(k) Plan,
Pensioner Medical Benefits (415) 778-5493
Toll Free Number (800) 796-8003

USNS Seay loads in Philly for Middle East

In frigid conditions with ice and snow encrusted decks, the 950-foot Large Medium-Speed Roll-On/Roll-Off (LMSR) vessel *USNS Seay* was loaded in Philadelphia on January 30, with 253,000 square feet of Army equipment destined for the Middle East. The noncombatant ship is crewed on deck by the SUP and operated by Patriot Contract Services for the Military Sealift Command.

The *Seay* has been a prime mover for combat-essential cargo needed by deployed U.S. forces during the Operation Iraqi Freedom. The ship has sailed between the U.S. and the Middle East four times during the past year, single-handedly transporting more than 1.5 million square feet of cargo for U.S. troops ashore.

MSC, along with the Air Mobility Command and Surface Deployment and Distribution Command are Transportation Component Commands of the U.S. Transportation Command. The *Seay* has a cargo carrying capacity of more than 300,000 square feet—the equivalent of more than five football fields. The ship

is one of about 34 MSC cargo ships, including 10 other SUP-crewed LMSRs, currently moving cargo for ground troops into and out of the U.S. Central Command area of operations.

The U.S. military's top sea transportation leader, Vice Admiral David Brewer III, USN, Commander, MSC, observed the loading operations aboard the *Seay* and told the ship's crew that, "...during Operations Enduring Freedom and Iraqi Freedom, MSC has delivered more than 32 million square feet of combat cargo, the equivalent of more than 21 Pentagons, and more than one billion gallons of fuel via a 'Steel Bridge of Democracy' of more than 150 ships."

Ship loading operations like the *Seay's*, as well as off-loading of return cargo, have been occurring at U.S. and overseas ports since early January. These operations are in conjunction with the rotation of roughly 240,000 U.S. military personnel into and out of the Middle East, one of the largest troop rotations since World War II—95 percent of the combat-essential cargo needed by these troops moves by sea.

18 feared lost in sinking off Korea

Ten Vietnamese seafarers are confirmed dead and eight more missing after the 7,054 dwt Panama-registered dry cargo vessel *Dury* sank off the southwest coast of Korea on February 7. Two bodies were recovered from the accident site on the same day, with a further eight bodies recovered yesterday. The rescue services are continuing their search for the missing crewmembers, although they say there is little hope of any survivors, according to *The Korea Times* newspaper. The ship, owned and operated by Seafarer Shipping in the Philippines, was bound for Incheon with a 6,040-ton cargo of steel from Vladivostok, Russia.

Greek master pleads guilty to operating a vessel under the influence of alcohol

The U.S. Coast Guard, along with the Coast Guard Investigative Service and the U.S. Attorney for the Eastern District of Louisiana, announced that the Greek master of a vessel who was arrested February 4, was charged on February 12, before a U.S. magistrate and pleaded guilty to operating a commercial motor vessel while under the influence of alcohol.

Nikolaos Georgiou, the master of the 590-foot freight ship *Proikonissos*, was sentenced to one-year probation which precludes him from operating a vessel in U.S. waters as a master, and agreed to pay a \$5,000 fine.

A pilot from the New Orleans and Baton Rouge Steamship Pilots Association boarded the *Proikonissos* which was moored at the Grand View Anchorage, near Gramercy, Louisiana, February 4. The pilot had to request the presence of the master on the bridge, and when the master appeared an hour later the pilot

smelled alcohol on his breath and notified the Coast Guard.

Chief Warrant Officer Quinn Quaglino and Lt.j.g. Emily Tharp, marine investigators from MSO New Orleans, went aboard the *Proikonissos* several hours later and also smelled alcohol on the master's breath. Tharp administered breathalyzer tests that confirmed that Georgiou was intoxicated.

"I am very pleased with the outcome of this case," said Captain Ron Branch, Coast Guard Captain of the Port, New Orleans. "How a licensed master, a professional mariner, could allow himself to become intoxicated while in a position where he is solely responsible for the safety of a large commercial vessel and its crew is inconceivable to me.

"I would like to personally thank the pilot who boarded the *Proikonissos* for reporting this situation to the Marine Safety Office and for the quick actions of the U.S. Attorney to bring this case to a quick conclusion," said Branch.

Eleven U.S. seafarers on terror list

The FBI says 11 US seafarers "having a nexus to terrorism matters" have been placed on a Terrorist Screening Center watch list. Another 700 have been found to have "issues related to law enforcement and maritime concerns". FBI counter-terrorism division head Gary Bald revealed the information in a testimony to a Senate judiciary subcommittee on terrorism, technology and homeland security hearing, reviewing seaport security. He says checks of U.S. Coast Guard-issued merchant mariner licences began in January 2003 under 'Operation Drydock', a National Joint Terrorism Taskforce investigation with the FBI and U.S. Coast Guard. Of the 200,000 U.S. seafarers, all but 15,000 records have been checked. Bald also revealed that in a new pilot program, a Miami-based taskforce was providing additional scrutiny to manning agencies around the world, which supplied crew for international cruise lines. The 'Manning Agency Screening Initiative' provides limited database checks on the agencies, which were only licensed to do business in their respective countries and are currently not screened by any U.S. law enforcement agency, Bald said.

Port of Sacramento bids to stay solvent

The Port Commissioners of Sacramento have voted to borrow \$1 million in a bid to keep the deep-water facility solvent. The board is seeking a loan from the West Sacramento Redevelopment Agency and would then sell 65 acres of property to pay off debt and improve cash reserves. The parcel of land, which is located on the southern side of West Sacramento is worth about \$9 million.

Sacramento port has lost about \$3 million over the past two years, with officials attributing the most recent losses to competition from the Port of Stockton. The port has also faced higher-than-expected labor costs and lower-than-projected tonnage. The West Sacramento City Council and the Port Commission still have to approve the plan.

Crew lost as flag-of-convenience vessel goes down off the Bosphorus Strait

At least 17 seafarers were lost on February 13, when the 1974-built Greek-operated dry cargo vessel *Hera* sank about seven nautical miles from the northern entrance to the Bosphorus Strait.

Although there were conflicting reports about the number of crew on board, the Bulgarian foreign ministry confirmed 17 Bulgarian seafarers missing; there were suggestions that two Ukrainians were also onboard.

The Cambodian-registered *Hera* was carrying a cargo of coal loaded in Kerch, Ukraine. All weekend the Balkans were in the grip of a violent snow storm which had caused the closure of the Bosphorus and the Bulgarian ports of Varna and Burgas. An eyewitness on another ship told reporters the *Hera* disappeared "in a matter of minutes". Turkish maritime security official Baris Tozar said strong winds had hampered helicopters and rescue vessels as they searched for survivors throughout the night.

Record of SUP Shipping January 2004

	Hdqs	Seattle	Wilm	Hono	Total
Bosun	7	4	3	1	15
Maint. Man	7	0	0	0	7
A.B. Dayworker	0	0	8	0	8
A.B	23	24	15	9	71
O.S.	3	2	2	1	8
Standby	14	14	58	41	127
TOTALS	54	44	86	52	236

Safeway earnings sink as workers gain nationwide support

Safeway suffered a staggering \$696 million net loss during the last three months of 2003, Safeway CEO Steve Burd told financial investors on February 12. In October, Burd assured investors the strike by California grocery workers fighting for their health care represented an investment in Safeway's future.

Now, investors are questioning Burd's leadership as they see the true costs: Safeway's pretax earnings have plunged by an estimated \$168 million, an effective 35 percent drop. "There are people on [Wall] Street who want a change" in management, J.P. Morgan Securities analyst Stephen C. Chick said.

The figures fail to include undisclosed benefits derived from Safeway's mutual aid pact with Kroger and Albertsons, the grocers Safeway is leading against the workers. According to a lawsuit filed February 2 by California Attorney General Bill Lockyer (D), the pact violates federal antitrust laws.

Last October, 59,000 United Food and Commercial Workers members went on strike or were locked out at supermarkets owned by Safeway, Albertsons and Kroger in central and southern California. The grocers wanted to shift huge new health care costs onto workers and cut their wages—the model pioneered by Wal-Mart.

In December, the California Public Employees' Retirement System (CalPERS), the state's government workers' pension fund and the nation's largest public retirement plan, formally asked the chairmen and CEOs of Safeway, Albertsons and Kroger to "fairly and expeditiously" resolve the dispute with the UFCW. "Fundamental to the fair treatment of employees is a reasonable health care plan that provides basic health care for your workers," the letters said. "In addition we feel that your corporation's blatant disregard for quality of life issues for your long term employees is having a significant impact on our investment in your corporation."

Grocery Workers Gain Nationwide Support

Meanwhile, the grocery workers are gaining support in communities across the nation. Throughout the week, community allies are launching marches, rallies and press conferences to increase awareness of the Safeway-led assault on workers' health care. In San Francisco on February 11, approximately 500 workers and elected, community, faith-based and union leaders, including California Labor Federation Executive Secretary-Treasurer Art Pulaski and California State Controller Steve Westly (D) rallied at the Pacific Exchange.

Nearly a dozen Bay Area religious leaders promised to bring the "Don't shop Safeway" message to their pulpits. Also this week, Citizens for Consumer Justice joined union activists in an informational picket and press conference at a Safeway-owned Acme supermarket in Philadelphia. On February 10, Seattle UFCW supporters held informational pickets at two Safeways, with more rallies planned for the coming weekend. On February 12, activists are gathered at a central downtown Washington, D.C. metro entrance to distribute more than 20,000 "Don't Kiss Healthcare Goodbye" leaflets and Hershey's chocolate "Kisses" to consumers.

Activists rallied and held a press conference at a Safeway store in Baltimore on February 13, the same day Los Angeles California Democratic congressional members, including George Miller, Linda Sánchez, Lucille Roybal-Allard, Grace Napolitano and Hilda Solis, met publicly with economists to discuss the effect of the grocers' greed on working families, investors and the California economy. Actions supporting grocery workers continued with union supporters in Portland, Oregon, rallying with Jobs with Justice activists on February 14.

Make a donation to the striking grocery workers by donating online through the AFL-CIO or send a check made payable to AFL-CIO Secretary-Treasurer to the Hold the Line for Health Care Strike Fund, AFL-CIO, 815 16th St., N.W., Washington, D.C. 20006.

Quick thinking in the *Mahimahi* saves man's life

January 15, 2004

At 0940 in the port of Guam quick thinking by the crewmembers of Matson's *m/v Mahimahi* saved Ernesto Villanueva, the steward utility, from choking to death.

The Steward, Lou Laupati, heard Ernie choking in the pantry as he was preparing for the afternoon meal. He heard Ernie cough loudly 3 times and then the coughs became softer. Lou called to Ernie from the galley but there was no answer. Lou quickly dropped what he was doing and rushed into the pantry to find Ernie bent over the sink with his finger in his mouth. He immediately noticed that Ernie's face and neck were dark blue. Lou did what he was trained to do first, called for help by dialing Captain Ted Bernhard's phone. The Captain got on the radio to the deck gang and passed the word for the sailors to 'drop everything' and make haste in getting to the galley, "Ernie's not breathing." Without missing a beat the Captain radioed the Tower and reported the emergency. Ron Barrer responded that he was calling the paramedics. All of this happened in the space of less than one minute!

With everyone running towards the galley, AB Brian Burns ran to the sailors

deck and grabbed the Automatic Emergency Defibrillator (AED), which was easily accessible being hung on a hook outside his room. The Bosun, Vernon Haik, grabbed the resuscitator, and the Captain retrieved the emergency medical "go-bag".

In the meantime, after Lou hung up the phone, he returned to Ernie whose head was now hanging into the sink. Lou, putting together the clues that Ernie had given him—choking and a finger in his mouth—figured Ernie had something stuck in his throat. Lou grabbed Ernie from behind, clasped his hands together just under Ernie's rib cage and gave a mighty thrust. Nothing happened. He gave another more powerful thrust and a piece of ham flew out of Ernie's throat.

The Captain and crewmembers arrived just as Ernie's breathing was restored. It was a happy ending to what could have resulted in death had it not been for the quick thinking all around.

As Mr. Laupiti said, "I knew what to do because I pay attention to those lectures and demonstrations we get on the ship." Good Job Lou!

Tony Mociun, Chief Mate
MV Mahimahi Voyage 79

Bush Administration budget seeks 4.5 percent funding increase for Maritime Administration programs

President Bush on February 2, sent Congress a \$2.4 trillion spending proposal which includes a provision to increase funding for Maritime Administration (MarAd) programs and operations from \$225 million last fiscal year to \$235 million for Fiscal Year (FY) 2005.

Increased funds for operations and training—up from \$106 million in FY 2004 to \$109 million for FY 2005—are earmarked to support the U.S. Merchant Marine Academy, six State maritime schools, and MarAd operations, including salaries and administrative expenses.

Of the \$109 million, \$56 million would be allotted to the U.S. Merchant Marine Academy, which includes \$13 million for capital improvement projects as provided in the Academy's ten-year capital improvement plan, \$10 million for State maritime schools, and \$43 million for MarAd operations.

Under the President's proposed budget, the Maritime Security Program (MSP), which, for its 10th and final year, supports a fleet of 47 militarily and commercially useful U.S.-flag vessels, will again be fully funded at \$98.7 million. A new, 10-year MSP program supporting 60 U.S.-flag ships will go into effect in October, 2005.

"MSP provides resources to maintain a U.S.-flag merchant fleet crewed by U.S. citizens to serve both the commercial and national security needs of the United States," the President's budget message said. "Participating operators are required to keep the vessels in active commercial service and are required to provide intermodal and sealift support to the Department of Defense in times of war or national emergency."

For the fourth consecutive year, the Administration has not sought any new funding for MarAd's Title XI Ship Loan Guarantee program. However, \$4.8 million is being requested for the administration of existing loan guarantees.

MarAd will continue to manage the Government's Ready Reserve Force (RRF) fleet, which is funded out of the Department of Defense budget. The fleet will continue to play a major role during Operation Iraqi Freedom, and the initial activation of the fleet "was the fastest and most efficient sealift in U.S. history," according to the President's budget message. An estimated \$220 million will be available during FY 2005 to fund RRF operations, the budget said.

The budget also allots \$22 million to dispose of obsolete vessels in MarAd's National Defense Reserve Fleet. By law, MarAd is required to dispose of over 120 ships by the end of 2006.

MarAd's budget was submitted as part of the Department of Transportation's overall budget request of \$58.7 billion, which represents a \$4.4 billion increase over last year's budget request.

Proposed funding for the Department of Agriculture's P.L. 480 food aid programs is down slightly from last year's proposed budget.

The President's spending package mirrors last year's request to fund P.L. 480 Title II grants at \$1.185 billion, but reduces funding for P.L. 480 Title I grants from \$103.9 million last fiscal year to \$86.4 million in FY 2005.

The Administration's funding request for ocean freight differential grants is also down in the current budget request from \$28 million last year to \$22.7 million for the upcoming fiscal year.

However, the budget request to fund McGovern-Dole International Food for Education and Child Nutrition Program grants is up from \$50 million in FY 2004 to \$75 million for FY 2005.

The President's FY 2005 budget request is up from last year's \$4.7 billion to \$5.17 billion to cover U.S. Coast Guard programs.

A breakdown of the new budget plan on a program-by-program basis is as follows: search and rescue, \$684 million, up from \$631 million in FY 2004; marine safety, \$352 million, up from \$330 million in FY 2004; aids to navigation, \$792 million, up from \$734 million in FY 2004; marine environmental protection, \$210 million, up from 194 million; ports, waterways and coastal security, \$1.5 billion, up from \$1.26 billion; and defense readiness, \$93 million, down from \$166 million.

The President sought a slight increase in funding for Federal Maritime Commission operations and programs, from \$18 million in fiscal 2004 to \$19 million for the upcoming fiscal year.

Of the \$19 million requested, \$5 million is allotted to formal proceedings; \$4 million for operational and administrative expenses; \$3 million to conduct trade analysis activities; \$4 million for consumer complaints and licensing; and \$3 million for the agency's enforcement duties.

Source: AMC Washington Letter

Thanks to Patty Murray, ferry funding to triple

Government funding for the construction of ferries and ferry terminals will triple, from \$38 million to \$120 million a year, as a result of a Senate amendment passed on February 12. "Until today, ferries received just one-tenth of one percent of all surface transportation funding nationwide," said Senator Patty Murray (D-WA). She was the chief sponsor of the amendment, which was attached to a \$38 billion highway and mass transit spending bill passed by the Senate.

Her amendment increases the budget for the Ferry Boat Discretionary Program administered by the Department of Transportation, which provides funding for the marine highway systems in Alaska, New Jersey and Washington. The funds will expand the domestic market for U.S. builders of ferries as well as companies that construct ferry terminals, and provide new funding for ferry systems in Alaska, Hawaii, North Carolina and San Francisco. Murray said she sponsored the amendment because ferry use is projected to "increase dramatically" over the next six years, with passenger traffic expanding by 14 percent and vehicle traffic by 17 percent.

Navy league underscores national security, economic importance of U.S. Merchant Marine

A strong U.S. Merchant Marine and a highly skilled cadre of U.S.-citizen mariners are vital to the economic and national security interests of the United States, the Navy League of the United States has declared in its recently published Almanac of Seapower 2004.

In a message to her 71,000 members, the Navy League's National President Sheila M. McNeill said her organization, with the help of sea services like the U.S. Merchant Marine, will meet "the tough challenges ahead" as the Nation continues to combat terrorism and terrorist threats around the world.

"This is a conflict that, in my opinion, is the new Cold War," she said. "This is going to last for years, because there is a generation of people who despise what we are all about."

The U.S. Armed Forces need our sea services, including the U.S.-flag Merchant Marine, "now more than ever," McNeill said, noting that her recent visits to the U.S. Merchant Marine Academy and discussions with its superintendent, Admiral Joseph D. Stewart "have helped me to refocus our organization in support of the merchant marine."

"The sea services are rising to meet the challenges that confront us, and so is the Navy League. Working together, let us ensure that 2004 is remembered as a year of great challenge and profound accomplishment," the Navy League National President concluded.

The U.S. Merchant Marine "is vital to the Nation's security since there is no completely reliable alternative to the U.S.-flag fleet or trained U.S.-citizen crews," the Almanac of Seapower 2004 reported, adding that 84 percent of the military dry cargo delivered during Operation Enduring Freedom and Operation Iraqi Freedom was carried on U.S.-flag ships.

The publication also focused on the economic benefits that flow from the participation of U.S.-flag ships in transporting U.S. foreign commerce. "Without such a fleet, the United States, the largest consumer market in the world, as well as thousands of U.S. importers and exporters, would become entirely dependent

on foreign entities for transportation."

Also, the Maritime Security Program, which supports the U.S. Merchant Marine, assures a U.S. presence in international commerce "and provides a competitive bulwark against predatory pricing by foreign carriers," according to the Navy League.

Increased productivity of the U.S.-flag fleet provides shippers with "seamless, door-to-door, just-in-time transportation worldwide," the Navy League said. "These advances also have been applied to the movement of military shipments and have resulted in significantly improved coordination and speed in the delivery of Department of Defense cargoes."

The Navy League also cited the need for U.S. cargo preference laws to support the continued existence of U.S.-flag shipping on the high seas.

"Without the combination of limited direct subsidy and the cargo preference laws...the U.S.-flag foreign trade fleet might well disappear completely," the Navy League said.

The publication also took note of the need to develop a fleet of Short Sea Shipping vessels to relieve congestion on U.S. highways.

"The congestion along Interstate 5 and the I-95 corridor, and other major interstate highways has forced transportation planners to look at the Nation's coastal regions as an alternative that would move freight from the Nation's crowded highways and railways onto the waterways."

The U.S. Merchant Marine Academy, along with six State maritime academies, provide the education and training to ensure that the United States will continue to have a pool of highly skilled U.S.-citizen seafarers, according to the Navy League.

The U.S. Merchant Marine Academy's position "as a world-renowned institution of maritime education cannot be overestimated," the Navy League said. "Not only does the academy produce highly qualified officers for the merchant marine, but it also is a major source of inactive-duty Naval Reserve officers."

Source: AMC Washington Letter

Liberia agrees to allow U.S. forces to board ships to search for weapons of mass destruction

Liberia, a longtime haven for flag-of-convenience operators, agreed on February 11, to allow the United States Navy to board the estimated 2,000 Liberian-registered ships to search for weapons of mass destruction.

With the pact, U.S. forces may board and search any Liberian-registered foreign ship they suspect of carrying weapons of mass destruction, their delivery systems or related material, State Department spokesman Richard Boucher stated.

With commercial ships transporting 80 percent of the world's traded goods, security experts worry that vessels, ports and other links in the maritime economic chain might make tempting targets. A terrorist attack could sink a ship, cripple a port, panic markets and disrupt trade.

Previously, Liberian-flagged ships carrying suspect materials had to be shown to be breaking international law, or enter U.S. waters, before the United States could act unilaterally, experts say. If the U.S. Navy wanted to interdict a ship flying a foreign flag, it had to work through diplomatic channels with the government

where the ship was registered—a time-consuming process, they said.

Liberia's shipping registry said U.S. authorities still must contact it before boarding any vessel.

But shipping industry analysts said the United States was already frequently stopping and searching vessels on the high seas at will.

Liberia ranks second only to Panama in total shipping tonnage in U.S. ports, under flags-of-convenience that offer cheap fees and easy rules. One-third of the United States' imported oil arrives on Liberian-flagged tankers.

Panama, the top country for flags-of-convenience vessels, has no such agreement and isn't currently negotiating one, Deputy Foreign Minister Nivia Rossana Castellon said in Panama City.

However, the State Department is seeking similar agreements with other unidentified countries.

The agreement with Liberia was signed under the terms of President Bush's Proliferation Security Initiative.



SUP President's Report

February 9, 2004

CHEVRONTEXACO SHIPPING COMPANY

After a day of hard bargaining, the SUP and ChevronTexaco Shipping Company reached agreement on February 5 on a new three-year agreement covering those employed in the company's U.S.-flag fleet.

The terms of the agreement, which are subject to membership approval, are as follows:

TERM OF AGREEMENT: 3 years (February 1, 2004 through January 31, 2007)

WAGE AND OVERTIME INCREASES:

3% retroactive to February 1, 2004

3% effective February 1, 2005

3% effective February 1, 2006

VACATION: Effective February 1, 2005, vacation accrual increases to 20 days for each 30 days of work.

NO DISCRIMINATION: Amend the language in Article II; Section C, Selection and Employment to read: The COMPANY and the UNION agree that there shall be no discrimination against any employee on the basis of race, color, religion, gender, national origin, age, sexual orientation, or the placement of qualified disabled, veteran status, citizenship, or other status protected by law.

GENERAL: Add the words "training courses" in Article VI; Section B, Vacation; Paragraph 1. Delete the word "superior" Article VI; Section H, Order and Rules.

LIVING CONDITIONS: Delete Article VII; Section A, Equipment; paragraph 1(b) which reads: "Cots while in the tropics, it being understood and agreed that mattresses shall not, under any circumstances, be removed from the rooms to the decks." Delete the words "but excelsior or straw shall be considered unsuitable" in Article VII; Section A, Equipment; Paragraph 1(e). Delete the words "and cots" in Article VII; Section A, Equipment; Paragraph 3. Add language in Article VII; Section C, Ventilation, to read: "If the vessel's heating, ventilation, and air conditioning systems are unable to maintain habitable conditions for a period in excess of six hours, unlicensed personnel shall receive an allowance of \$40.00 per night."

CLASSIFICATIONS: Add in the positions of Machinist and Ordinary Seaman and delete the positions of Pumpman and Oiler.

SHIFTING SHIP: Delete the words "in inland waters" in Article X; Section B, General Application of Overtime; Paragraph 6(a)(4).

GENERAL WORKING RULES: Add in the following language in Article XI, Engine Department Working Rules. "Machinist Duties at Sea and in Port:" "Machinists shall perform maintenance and repair work aboard the vessel as directed by the Chief Engineer." Delete the language in Article XI; Section F, Paragraph 2, 3, 4 which references the duties of Pumpman and Oiler. It was also agreed that the pumpman and oiler positions would be reinstated if conditions so warranted.

While the Union proposed many of the items submitted by the membership—particularly more vacation days—the company was adamant in rejecting them. However ChevronTexaco did agree over the bargaining table, to pay for all necessary training, to pay crew members actual, but reasonable, lodging and subsistence expenses in a shipyard, to assist machinists in acquiring necessary engine room time towards upgrading their endorsements, to allow upgrades on flights to the extent possible, to pay reasonable extra baggage fees depending on airline policy, to allow individual requests for the ship's entertainment fund, and to supply boiler suits as needed.

The company also reconfirmed a crew member's right to use all vacation accrued and a crew member's right to request a specific relief date for vacation within the customary 90 to 120 day assignment period, as well as early return from vacation.

Although many members employed by ChevronTexaco

expressed an interest in being on the Negotiating Committee, regrettably scheduling conflicts precluded any from participating. Therefore, Vice President Dave Connolly and your secretary bargained for the Union while James DeCruz, U.S. Manning Manager and David Moore, Operation's Superintendent for the Marine Transportation Team, negotiated for the company.

Since the conclusion of bargaining, company vessels at sea and those members ashore, have been informed of the proposed terms and conditions of the new agreement with the majority favoring ratification.

Therefore, recommend general membership ratification.

In addition to the wages and conditions bargained, SUP members employed by ChevronTexaco during the past year will receive a bonus in March of 7% on gross W-2 wages earned in 2003 as part of the company's Success Sharing Program which the Union negotiated with the company in 1995. Members that participate in ChevronTexaco's 401(k) Plan which was achieved in bargaining in 1998, are also beneficiaries of the company's Profit Sharing plan, under this Plan. Members who contribute a minimum of 2% of their wages receive a company match of 8%. For simplicity, every dollar a member contributes the company kicks in four dollars. Those employed by ChevronTexaco who do not participate in this Plan are literally throwing money over-the-side.

MILITARY SEALIFT COMMAND: LMSR BIDS

As reported last month, the SUP, the MFOW and the SIU-AGLIWD/NMU are working together regarding labor costs to respond to the Military Sealift Command's request for proposals (RFP) for the operation of the 11 Large Medium-Speed, Roll-On/Roll-Off (LMSR) vessels currently managed by Patriot Contract Services.

The Patriot contract for the LMSRs expires on July 23 and bids for the continued operation of the vessels were due to be submitted to MSC by the close of business on February 10, 2004. The date has been extended to February 18.

On January 21, the Unions met at MFOW Headquarters at Patriot's request. In attendance for ASM/Patriot were Sandy Jones, Chief Operating Officer, and Archie Morgan, Senior Labor Relations Manager. The Unions were represented by MFOW President Whitey Disley, MFOW Vice President Bobby Iwata, MFOW San Francisco Port Agent Tony Poplawski, SUP Vice President Dave Connolly and your secretary. In response to a draft agreement sent by the company on January 6, the Unions submitted a revised document. Captain Jones indicated the company would respond.

Jones stated that the current LMSR agreement would remain in effect through September 30, 2004, as the new award by the MSC for the vessels will become effective on October 1, 2004. Because the timing of the award will extend past the expiration of the current agreement, a 3% wage and benefit increase will be paid on July 23. Jones indicated the MSC would make the award public some time in June.

Since the January 21 meeting, the SUP and MFOW in conjunction with the SIU-A&G have been coordinating efforts regarding wage and fringe benefit rates to arrive at the same Total Labor Costs for each unlicensed rating in order to remove labor costs from the bidding process.

A meeting with Patriot is scheduled for tomorrow (February 10) to finalize an LMSR agreement.

Since Matson is also bidding on the LMSRs, the same agreement negotiated with Patriot will be given to Matson.

SUP ELECTION

Although the 2004-2006 term of SUP officers on February 2 does not begin until March 1, the changes to the Shipping Rules mandated by the membership went into effect immediately, as the referendum on the

ballot propositions was certified by the Impartial Balloting Agent (Pacific Election Services, Inc.) in accordance with Article XII, Sections 6 and 10, of the SUP Constitution on February 2.

The following clarifies the two propositions passed by the membership:

Shipping Rule 11. Amended to add the following language: "Jobs shall be distributed equally between all hiring halls if a new ship or a reflagged ship is scheduled to call at the affected port."

Shipping Rule 23. Amended to add the following language: "Candidates for a bosun's stamp shall present a letter of recommendation signed by 10 member, demonstrating competency in splicing, rigging, and hand signals, and to provide evidence of one (1) year of seetime as delegate."

The proposal to incorporate the emergency measure regarding seniority for LMSR sailors passed at the July 2003 coastwise meetings into the Shipping Rules failed to receive a majority vote. Therefore, two-for-one seniority for LMSR sailors ceased on February 2.

Although the Constitutional proposition to increase dues by \$20 a quarter garnered over a 57% majority, it failed to achieve the necessary two-thirds vote required by the Constitution. For a dues increase to again be defeated is, to say the least, a disappointment. Recommend that members who voted for this measure show the rest the way, by example, and donate the twenty bucks per quarter to the General Fund to keep our Union financially sound.

As far as the election of officers, Keith Miller was elected Wilmington Branch Agent relieving Mark Hurley who chose not to run and Duane Nash was elected to the Building Corporation.

All other incumbents were re-elected. A tip of the stetson to Brother Hurley who did an outstanding job as Agent. In addition to carrying out his Union duties in a professional manner, Brother Hurley represented the Union, SUP-style, at many labor and maritime meetings in Southern California. It is anticipated that Brother Hurley will continue to be an activist for the Union when he is ashore.

Full election results will be published in the February *West Coast Sailors*.

ACTION TAKEN

ChevronTexaco Agreement: M/S to accept the ChevronTexaco Agreement. Carried unanimously.

M/S to accept the balance of the President's report. Carried unanimously.

Gunnar Lundeberg

BOYCOTT SAFEWAY!

Hong Kong remains the busiest port in the world

Cross-sea rivals, Hong Kong and Singapore once again slugged it out for the title of busiest port in the world. Hong Kong posted a 2003 throughput of 19.1 million twenty-foot equivalents (TEU), while its rival Singapore came in at 18.4 million TEU's.

Nearly 62 percent of Hong Kong's containers were handled by its premier port, Kwai Chung, which reported handling 12.07 million TEUs. While Singapore will remain an industry hotspot for containerized shipping, the real growth in the Asia shipping market is coming from mainland China's Shenzhen's Yantian, Shekou, and Chiwan container terminals. October 2003 was the first time that Shenzhen's terminals handled more boxes than the Hong Kong terminals.

China's Special Administration for Trade stated that export traffic from the Pearl River Delta's Shenzhen's ports was up, due to its proximity to factories in Guangdong province and its lower labor costs. Overall, Shenzhen handled 40 percent more boxes than it did the previous year, posting a throughput of 10.65 million TEUs.

SUP Branch Reports

Seattle

January 20, 2004

Shipped during the period: 5 Boatswain jobs went to 1 A-card and 4 to navy ships taken by 3 B-cards and 1 C-card; 20 Able Seaman slots filled by 4A's, 8 B's, 3 C's and 5 D's, 12 were navy jobs; 3 Ordinary Seaman to navy ships filled by 2 C's and 1 D.

Registration for the period: 10 A cards for a total of 23; 16 B cards for a total of 40; 8 C cards for a total of 29.

Ships checked

President Truman, President Jackson and President Adams back from the Far East with little or no trouble. Maui and Kauai in twice and running smoothly.

With major redeployment of troops and equipment to Iraq all of the LMSR vessels at present are activated and running. Though the level of hostilities is not as high as it was a couple of months ago this is still a war zone and the duty hazardous. The sailors in these ships deserve the highest praise.

I attended the Puget Sound Harbor Safety meeting, the Area Maritime Security Committee meetings, and the King County Labor Council meeting. Along with other Union members, I participated in a rally and march in honor of Dr. Martin Luther King. I met with newly elected Seattle Port Commissioner Alec Fiskien and spoke to him on a variety of issues affecting maritime workers.

I represented the SUP at a Short Sea Shipping forum held in Everett, concerning the revitalization of coastwise shuttle ships and container barges.

The White House has been directly involved in putting forward overtime takeaway legislation in Congress during the last few weeks. The Union has been fighting this by calling all labor friendly congressional representatives and urging them to vote "No". This is a fight that "all hands" can participate in.

Pull up the AFL-CIO website and see how your elected officials are voting on workers rights issues in your area. If you don't like what you see, then vote them out of office and "send them down the gangway".

Contribute to the SUP Political Fund.

Vince O'Halloran
Branch Agent

Oakland reports record year in 2003

Port of Oakland ports had a record year in 2003 with cargo volume up 12.3% from the year before, according to maritime public relations manager Marilyn Sandifur. The Port saw a volume of 1.92 million TEUs handled during the 2003 calendar year. This represented an increase of 12.6% over 2002. Imports rose 9.4% to 598,611 TEUs, while exports were up 9.3% to 800,539 TEU.

10 million Workers in America Are Jobless

The Bush Administration's response:

"Outsourcing is just a new way of doing international trade. More things are tradable than were tradable in the past. And that's a good thing."

N. Gregory Mankiw, chairman of the President Bush's Council of Economic Advisors

Wilmington

January 20, 2004

Shipped during the period: Bosun: 6; AB: 11; AB Maint.: 10; OS: 3; and Standby: 62; for a total of 92 jobs.

Registration: A: 59; B: 35; C: 11; D: 2.

Ships checked

President Polk, Washington Voyager-David McKeithen, delegate, D. Nash: Mokihana, APL Korea,

Manukai, Manoa, President Truman, Lihue, APL Philippines, R.J. Pfeiffer, Ewa, Hurley: Mahimahi, APL China. Matsonia-Rob Morgan, delegate, President Jackson-Robert Stabbing, delegate, (one of the happiest ships in ASM fleet), Chief Gadao, Manukai, APL Thailand-Lee Dancer, delegate (glad to report things are improving on the Thailand), President Grant, Ewa-John Rose, delegate, Matsonia, APL Singapore.

January 5, had an agents' lunch at Andres. See MTD meeting paragraph below.

January 9, Maritime Trades Department Executive Board Committee Meeting. MTD President Bob Shamus resigned due to health reasons. We wish him a speedy recovery. Larry Barragan, a first-class Union man, took over as President.

January 12, American Merchant Marine Veterans' Memorial Committee meeting. The Los Angeles Harbor Department hired some city planners to redesign the waterfront of San Pedro. One of their ideas is to move all the memorials, including ours at John S. Gibsons Park at 6th and Harbor. The planners had not specified a relocation site. At the meeting, our president, John Pitts, explained the history of the Memorial and why it should not be moved. Will keep Headquarters and the membership informed of this important turn of events.

January 14, the SUP marlinspike class was held aboard the SS Lane Victory with George Jackson and Jose Rovelo as instructors.

January 16, Maritime Trades Department (MTD) meeting aboard the s/s Lane Victory. MEBA Agent, Al Camelio announced our planned Labor Solidarity Cruise on the s/s Lane Victory coming up this summer. We'll take 800 people on an educational cruise to showcase maritime labor unions in the Los Angeles/Long Beach Harbor. This ought to be a great event and something that we have needed to do for a long time—make people aware of our existence. Shannon Donato from the Harry Bridges Labor Institute also spoke about the UFCW Adopt a Family Program and other ways to help the UFCW.

There are a lot of SUP Brothers and Sisters to thank for their help and support during these last three years as Wilmington Port Agent—too many to list. Besides the help from all at Headquarters, Vince, Mike and Jack at the Branches, I would like to thank Duane Nash and Jack Dalton for all their help, advice and humor. Jack and Gary Gelfgren have done a great job and I know will work well with the next agent.

Thanks also to Rich Reed from the Welfare Department and Joan Steel from Columbia for attending our January meeting and explaining and answering members' questions about our Money Purchase Plan and the 401(k).

Mark Hurley, Branch Agent

Honolulu

January 20, 2004

Shipped during the month of December: 2 bosuns, 1 AB maint., 3 ABs, 3 AB reliefs, 1 ABD, 1 ABD relief, and 1 OS. These jobs were filled by: 5 A members, 5 B members, 1 C member and 1 D registrant. Also shipped 22 standby jobs, filled by 1 A member, 4 B members, 15 c members, and 2 MFOW members, for a total of 34 jobs shipped.

Registered during the month of December, 7 A members, 8 B members, 3 C members and 2 D registrants. To date have registered: 7 A members, 8 B members, 8 C members and 5 D registrants, for a total of 28 registered.

Ships checked

Maui, Lurline, Chief Gadao, Matsonia, Kauai, Ewa, R.J. Pfeiffer, Lihue and Manukai with few or no problems. Paint and rigging gang check daily.

On January 28, attended the Hawai'i Port Maritime Council meeting. Most of the discussion was on the upcoming state legislative session. There are currently four anti-Jones Act resolutions on the House side and two anti-Jones Act and two anti-PSA resolutions on the Senate side. None of these resolutions have been referred to Committee. Port Council affiliates are keeping watch.

Would like to remind any members who are renewing their seaman's papers (MMD) to be truthful on the application. Background checks are now very thorough and appear to extend back 20+ years. Lying is grounds for suspension of a year plus.

Mike Duvall
Branch Agent

San Francisco Business Agent

February 9, 2004

Visited and paid off the following ships:

Kauai— John Savage, delegate: No disputes; bypassed Oakland this trip.

Lihue— Alan Gonzalez, delegate: No disputes; taking a load to Korea via Honolulu.

Lurline— Jim Clay, delegate: Dispute on sailors work in stairway in the main deck house, sailors scope of work.

Maui— Mike Dirksen, delegate: In and out the same day, no disputes.

Mokihana— Jim McGee, delegate: Voyage pay off. Lack of food this trip. Port steward promised additional order for this voyage.

R.J. Pfeiffer— Carl Ziegeler, delegate: Back on triangle run; no disputes.

APL Korea— A. Capistrano, delegate: Voyage pay off. No dispute. Dave Connolly paid it off.

APL Singapore— Keith Miller, delegate: New Branch Agent for Wilmington, good luck.

New pensioners

The following SUP members join the ranks of pensioners, bringing the total number of SUP members to 873.

Douglas D. Kashner, 70, Book #3157, joined SUP in 1966, 32 years seetime.

Rodolfo Menchaca, 73, Book #6440, joined SUP in 1963, 40 years seetime.

Norfolk Office

January 2004

Shipping remains good. All deck jobs were dispatched on the West Coast as I was down south most of the month of January. Still managed to ship 2 Bosun's taken by 2 B members' 2 ABs on fly out, 1-OS.

As of this week all LMSRs are FOS and are at sea.

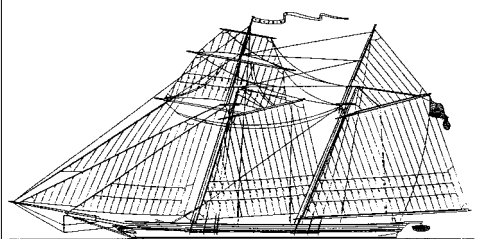
Happy New Year to all hands.

Jack Stasko, Norfolk Rep

East Coast office relocates to Florida

Effective February 23, the East Coast office of the SUP and MFOW will be located in Jacksonville, Florida, at the Masters, Mates, & Pilots hall at 349 East 20th Street. The new telephone number is 904-598-9909 and the fax number is 904-598-9910.

With the opening of the Jacksonville office, the Norfolk, Virginia office will close.



APL Thailand— Lee Dancer, delegate: Voyage pay off. Clarification with delegate on watchstander overtime. Also lighthouse windows around the bridge.

ASM Shore Gang— All going well. Also worked in the front office during the month.

William Berger

Dispatcher's Report

Headquarters—Jan. 2004

Deck	
Bosun	7
Carpenter	0
MM	7
AB	23
OS	3
Standby	14
Total Deck Jobs Shipped	54
Total Deck B, C, D Shipped	20
Engine/Steward	
QMED	0
Pumpman	0
Oiler	0
Wiper	0
Steward	0
Cook	0
Messman	0
Total E&S Jobs Shipped	0
Total E&S B, C, D Shipped	0
Total Jobs Shipped - All Depts. ...	54
Total B, C, D Shipped-All Depts. .	20
Total Registered "A"	73
Total Registered "B"	69
Total Registered "C"	11
Total Registered "D"	9

Vice President's Report

February 2004

Safeway strike

The striking and locked out grocery workers in Southern California are nearing their fifth month on the picket lines. More than 70,000 workers are out. Company proposals that roll back wages and health-care benefits are obscene examples of greed from one of the most profitable businesses in the world. Yet, because of the management's intransigence, Safeway lost nearly \$700 million in just the last quarter of 2003, its stock has lost 50% of its pre-strike value, and severe financial harm has been cynically inflicted on thousands of working people.

The UFCW's dispute with Safeway will rank as one of the most important labor events of this decade. Safeway (owner of Vons and Pavilions) was struck by the UFCW, and then Albertson's and Ralphs (owned by Kroger) locked out their employees in support. Now it turns out that the three companies have a mutual aid deal whereby the company that calls the lockout to counter the strike (Safeway) must eventually share revenue with the other two to compensate for lost business. California Attorney General Bill Lockyer thinks this maneuver may be collusion, racketeering, or some other violation of anti-trust law, and so the state is suing these companies in federal court. "This action is about protecting shoppers against unlawful, anti-competitive conduct that keeps prices artificially high," Lockyer said. If proven successful, new management ideas like revenue sharing amongst competitors in the event of job action, or bold take-aways in healthcare, will be attempted by other management at other companies in other industries. That's why it's our fight.

The Sailors' Union of the Pacific is at the rallies and events, and on the picket lines. In Wilmington, SUP members have adopted the Von's at 25th and Western in San Pedro, with excellent success. In the Bay Area, we participate in the rallies and actions in San Francisco, and we've adopted the South Shore Safeway in Alameda. All interested members should contact me or Wilmington Branch Agent Mark Hurley for picket shift assignments.

New MMD rules

The Coast Guard recently issued an interim rule on validation of applicants for an original or renewal Merchant Mariner's Document. The rule includes language that for the first time makes all misdemeanors grounds for issuance denial. The rule also adds a new qualification, determined by the Coast Guard, making it a basis for denial if the applicant is not deemed a "safe and suitable person." The definition of safe and suitable person is listed as one whose "character and habits of life support the belief that his or her presence on board vessels of the United States is not or may not be, adverse to the security of the United States." Exactly how the Coast Guard

will determine suitable "character and habits of life" is not specified, and the appeal process is uncertain. The SUP will continue to investigate, register objection, offer alternatives, and hopefully positively influence the outcome. In the meantime, members should be aware that the mariner certification process is getting tougher and tougher; background checks are being done on 100% of applicants, and items that may not have been an issue in the past could re-surface now. Ask your Union agent for assistance and guidance before submitting an application.

Ships checked

USNS Gilliland: delegate Doug Garver. C/M reportedly infringing on SUP jurisdiction. Taken up with the company.

USNS Mendonca: delegate Bill Neumiller. Loaded in Philadelphia for mid-east ports. Clarification on ROS transition, and election results.

USNS Brittin: delegate Kevin Sheen. Discharge and load in Antwerp. Clarification of watch schedules and election results.

USNS Piliiaau: delegate L.J. Benson. Problem with timely draws. Clarification on hours of work when watches are broken. Mostly Hawaiian gang on this ship loading in Hawaii and named for a Hawaiian hero.

USNS Gordon: Question from the bosun Dave Eriksen on holidays. Only President's Day is payable under this contract.

USNS Yano: delegate Michael Crawford. Clarification on application of double seniority in the LMSRs after failure of ballot measure to extend it. The 2 for 1 union seniority rule will apply from all those who shipped in the LMSRs between 1/1/03 and 2/2/04.

Colorado Voyager: delegate William Ensminger. Briefed the delegate on the aspects of the new contract and the details of negotiations. No beefs.

Arizona Voyager: delegate Matt Rutan. Reported process and results of negotiations.

Washington Voyager: delegate Doug Alexander. Also discussed aspects of new contract with generally favorable reception.

President Adams: delegate Charley Supple. Clarification on holidays. Some washdown trouble but the delegate has it under control.

APL Thailand: delegate Lee Dancer. Clearing the anchor is part of arrival port prep, includes anchor standby, and is separate and distinct from lookout duties, which are part of a navigational watch. Conflating the two duties is a violation of the contract. Support in Section 37 (f), SUP Work Rules.

Dave Connolly

Marine Firemen's Union

AFFILIATED WITH THE SEAFARERS INTERNATIONAL UNION OF N.A.
M.F.U.O.B.

BRANCHES
Seattle, Washington
Wilmington, California
Honolulu, Hawaii

240 Second Street
San Francisco, California 94105
(415) 362-4530
Dispatcher: (415) 382-7582

February 3, 2004

Mr. Gunnar Lundeborg
President/Secretary-Treasurer
Sailors' Union of the Pacific
450 Harrison Street
San Francisco, CA 94105

Dear Gunnar:

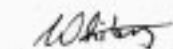
On behalf of the officers and membership of the Marine Firemen's Union, please accept our congratulations on your reelection as President/Secretary-Treasurer of the Sailors' Union of the Pacific.

We also send congratulations to incumbents Vice President/Assistant Secretary-Treasurer Dave Connolly, San Francisco Business Agent Bill Berger, Seattle Branch Agent Vince O'Halloran and Honolulu Branch Agent Mike Duvall on their reelection, as well as to newly elected Wilmington Branch Agent Keith Miller.

I know that, under your leadership, the SUP officials will continue to do a great job for your rank and file membership.

With my best wishes and warmest personal regards, I am

Fraternally yours,



H. "Whitley" Disley
President/Secretary-Treasurer

HD:sds
ope-3-all-cio (76)

The nautical Rules of the Road have been updated effective November 2003

Perhaps the most important of the changes attempts to further define the parameters of *in extremis* maneuvers, those made in a last-ditch effort to avoid collision.

Rule 8(a) now reads: "Any action to avoid collision shall be taken in accordance with the Rules of this Part and shall (emphasis added), if the circumstances of the case admit, be proactive, made in ample time and with due regard to the observance of good seamanship."

The addition of the italicized phrase is an attempt to further discourage vessel operators from turning to port when attempting to avoid collision. Perhaps as a response to so-called radar-assisted collisions—one vessel might turn to port to attempt to open up the closest point of approach as plotted on radar, while the other vessel turns to starboard to avoid collision, a combined effort that results in collision—the rule suggests that a turn to port to avoid another vessel is a violation of an earlier rule to avoid such a maneuver.

Formally established at the Convention on the International Regulations for Preventing Collisions at Sea, 1972, the Rules were revised in November 2001. The changes, in three different subjects, went into effect in November 2003.

One of the changes establishes operating parameters for flying boats, or wing-in-ground effect (WIG) vessels, which

can cruise above the surface of the water at speeds of 200 knots.

The Rules previously had no mention of WIG vessels. WIGs are defined as high-speed craft that are "supported in their main operational mode solely by aerodynamic forces which enable them to operate at low altitude above the sea surface but without direct contact with the sea."

When operating on the surface, WIGs are to adhere to the rules for power-driven vessels. When taking off or landing, and when operating in ground-effect mode, the vessels are to display an all-around red flashing light and keep clear of all surface traffic.

The third change in the Rules eliminates the requirement that vessels between 12 and 20 meters be equipped with a bell for sound signaling. Other forms of sound-signaling in restricted visibility, like whistles or air horns, are now permitted.

The Coast Guard is apparently not yet printing a new set of Rules to announce this change. Instead it is releasing a printed addendum to be used in existing Rules books. Although the new rules have yet to take effect for inland waters, the changes are expected to be made shortly.

Source: *Professional Mariner* Twain Braden

Master of blacklisted ship arrested

The captain and radio officer of the bulk carrier *Sentinel*, which is suspected of terror links, were arrested in Genoa last month when police intercepted 13 Pakistani stowaways in its holds. Captain Ahmad Shamin Siddiqui and Ali Sajadi, both from Pakistan, were arrested after the stowaways admitted paying them \$15,118 each for the passage. The 13 had been included in the crew list as apprentice ratings.

The Comoros-flagged vessel departed from Izmir, Turkey on January 15, for Genoa with a cargo of cement. However, while passing through the Messina Straits, an Italian navy patrol unit intercepted the vessel, which is on a list of ships suspected of having links to Al-Qaeda. A month ago another blacklisted ship, the Tonga-flagged *Oula*, coming from Cyprus, was inspected in Genoa for alleged transport of illegal immigrants but it was released when police were unable to find any stowaways on board.



SUP members Colin Dewey and Stephen Zombro flank SUP Vice President Dave Connolly on the picket line at the Safeway store in South Shore, Alameda, in support of striking UFCW members in Los Angeles.



California Labor Federation

March 2, 2004 Primary Endorsements

As passed by delegates to the Pre-Primary Convention of the California Labor Federation on December 11, 2003.



U.S. SENATOR
Barbara Boxer (D)

CONGRESS

District

1. Mike Thompson (D)
2. No Endorsement
3. No Endorsement
4. No Endorsement
5. Robert T. Matsui (D)
6. Lynn Woolsey (D)
7. George Miller (D)
8. Nancy Pelosi (D)
9. Barbara Lee (D)
10. Ellen Tauscher (D)
11. No Endorsement
12. Tom Lantos (D)
13. Fortney (Pete) Stark (D)
14. Anna G. Eshoo (D)
15. Mike Honda (D)
16. Zoe Lofgren (D)
17. Sam Farr (D)
18. Dennis Cardoza (D)
19. No Endorsement
20. Jim Costa (D)
21. No Endorsement
22. No Endorsement
23. Lois Capps (D)
24. Brent Wagner (D)
25. No Endorsement
26. Vicki Lynn Johnson (D)
27. Brad Sherman (D)
28. Howard Berman (D)
29. Adam Schiff (D)
30. Henry Waxman (D)
31. Xavier Becerra (D)
32. Hilda Solis (D)
33. Diane Watson (D)
34. Lucille Roybal-Allard (D)
35. Maxine Waters (D)
36. Jane Harman (D)
37. Juanita MillenderMcDonald (D)
38. Grace Flores Napolitano (D)
39. Linda Sanchez (D)

40. Christina Avalos (D)
41. No Endorsement
42. No Endorsement
43. Joe Baca (D)
44. Louis Vandenberg (D)
45. John Thomas (D)
46. Jim Brandt (D)
47. Loretta Sanchez (D)
48. No Endorsement (D)
49. Michael Byron (D)
50. No Endorsement (D)
51. Bob Filner (D)
52. No Endorsement
53. No Endorsement

State Senate

1. Allan Dollison (D)
3. Carole Migden (D)
5. Michael Machado (D)
7. Tom Torlakson (D)
9. Don Perata (D)
11. Dual: Ted Lempert (D)
S. Joseph Simitian (D)
13. Manny Diaz (D)
15. Margaret Pinard (D)
17. Jonathon Daniel Kraut (D)
19. No Endorsement
21. Jack Scott (D)
23. Sheila James Kuehl (D)
25. Edward Vincent (D)
27. Alan Lowenthal (D)
29. No Endorsement
31. No Endorsement
33. Randall Daugherty (D)
35. Ken Maddox (R)
37. Pat Johansen (D)
39. Christine Kehoe (D)

State Assembly

District

1. Patty Berg (D)
2. Barbara McIver (D)
3. Robert Woods (D)
4. No Endorsement
5. No Endorsement
6. Joseph Nation (D)
7. Dual: Jim Leddy (D)
Noreen Evans (D)
8. Lois Wolk (D)
9. Dave Jones (D)
10. No Endorsement
11. No Endorsement
12. Leland Yee (D)
13. Mark Leno (D)
14. Loni Hancock (D)
15. Elaine Dugger Shaw (D)

16. Wilma Chan (D)
17. Barbara Matthews (D)
18. Johan Klehs (D)
19. Eugene Mullin (D)
20. Alberto Torrico (D)
21. Ira Ruskin (D)
22. Sally Lieber (D)
23. Joe Coto (D)
24. Rebecca Cohn (D)
25. No Endorsement
26. No Endorsement
27. John Laird (D)
28. Simon Salinas (D)
29. No Endorsement
30. Nicole Parra (D)
31. Juan Arambula (D)
32. Marvin Armas (D)
33. No Endorsement
34. Maggi Florez (D)
35. Pedro Idelfonso Nava (D)
36. No Endorsement
37. No Endorsement
38. No Endorsement
39. Cindy Montanez (D)
40. Lloyd Levin (D)
41. Fran Pavley (D)
42. Paul Koretz (D)
43. Dario Frommer (D)
44. Carol Liu (D)
45. Jackie Goldberg (D)
46. Fabian Nunez (D)
47. Karen Bass (D)
48. Mark Ridley-Thomas (D)
49. Judy Chu (D)

50. Hector de la Torre (D)
51. Jerome Horton (D)
52. Mervyn Dymally (D)
53. Mike Gordon (D)
54. Betty Karnette (D)
55. Jenny Oropeza (D)
56. Rudy Bermudez (D)
57. Ed Chavez (D)
58. Ron Calderon (D)
59. Dan Harden (D)
60. No Endorsement (D)
61. Gloria Negrete-McLeod (D)
62. David Roa Pruitt (D)
63. Elia Pirozzi (R) (D)
64. Robert Melsh (D)
65. Rita Ramirez-Dean (D)
66. Laural Nicholson (D)
67. Dave Silva (D)
68. Dual: Al Snook (D)
Van Tran (R)
69. Thomas Umberg (D)
70. Carl Mariz (D)
71. Bea Foster (D)
72. Ross Johnson (D)
73. No Endorsement
74. No Endorsement
75. Karen Heumann (D)
76. No Endorsement
77. No Endorsement
78. Dual: Patricia Davis (D)
Arlie Ricasa (D)
79. Juan Vargas (D)
80. Mary Ann Andreas

VOTE March 2

State Ballot Propositions

55 Kindergarten—University Facilities Bond	Yes
56 Budget Accountability Act	Yes
57 The Economic Recovery Bond Act	Yes
58 The California Balanced Budget Act	Yes
Regional Measure 2	Yes

U.S.-flag policy remains inadequate

Although the current Maritime Security Program has been reauthorized for a 10-year period commencing October 1, 2005, we have not solved the problem or the decline in the U.S. fleet of active, self-propelled oceangoing vessels, either short-term or long-term.

In contrast to the situation in the United States, it has been reported that NYK, Japan's largest shipping company, has budgeted \$7.17 billion to construct 160 vessels during the next five years. This equates to spending \$1.4 billion to construct 32 vessels per year. These ships will not only transport products of a growing Japanese economy but of the entire Asian sphere.

We continue to trumpet the fact that the United States is the largest trading nation, but we take no pride in what should be our ability to transport at least 50 percent of this commerce. We should be in a position to protect the U.S. consumer from transportation costs as the international maritime industry consolidates itself into a few mega-owner-operators.

Captain Warren G. Leback Princeton, NJ, *The Journal of Commerce*